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Luther Hartwell Hodges

MESSAGES, ADDRESSES, AND PUBLIC PAPERS
of
LUTHER HARTWELL HODGES
GOVERNOR OF NORTH CAROLINA
1954-1961

Volume II

1957-1958

Edited by

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Southern Historical Collection
UNIVERSITY OF NORTH CAROLINA

Raleigh
Council of State
State of North Carolina
1962

FOREWORD

As indicated in the preceding volume of this series, Governor Hodges succeeded to the chief executive office of North Carolina upon the death of Governor William B. Umstead on November 7, 1954, and was subsequently elected to a four-year term beginning in January, 1957. He thus remained in office for a period of six years, one month, and twenty-eight days, longer than any other governor in the history of North Carolina since it became a state. The first volume of the messages, addresses, and other public papers of Governor Hodges was issued in December, 1960, and covered the period from November, 1954, through December, 1956, when he was serving out the term to which his predecessor had been originally elected. This, the second volume, covers the years 1957-1958, approximately the first half of the term to which Governor Hodges was elected in his own right in November, 1956. A third and concluding volume is now in preparation and will cover the last two years of the Hodges administration.

Approximately 250 full-length speeches were made by Governor Hodges during the two years covered by this volume. Following the pattern set, for reasons of space, in the preceding volume, forty-five of these speeches, considered to be the more important and less repetitious, have been selected for inclusion in their entirety; 102 have been described in brief summaries; and the remainder have been listed by date, title, and place of delivery. For similar reasons, only selections have been included from the numerous proclamations, greetings, statements, and other public papers that emanated from the governor's office during this period. The list of appointments includes only those made by Governor Hodges during the years 1957-1958.

The funds for printing this volume have been supplied by the Council of State of North Carolina, as has been done for previous volumes of the governors' papers. The editor has continued to work under the general supervision of a committee consisting of Dr. Christopher Crittenden, chairman, professor Hugh T. Lefler, and Messrs. E. A. Resch, Edward L. Rankin, Jr., and Harold Makepeace, the last two of these having been successively the private secretaries of Governor Hodges during his tenure of office.

Miss Elizabeth Haynes Green, Mrs. Sylvia Eisner Danovitch, and Mrs. Jane Mears Adkins typed the manuscript. Mrs. Elizabeth Dantzler Geer assisted in various phases of the editorial work and made the index.

James W. Patton

Chapel Hill, North Carolina
May 1, 1962

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THE HODGES ADMINISTRATION, 1957-1958

Throughout the years covered by this volume, Governor Hodges continued to maintain the busy schedule which he had followed during his first two years in office. An ambitious program of legislation which he recommended to the 1957 General Assembly was the object of much of his activity and the subject of many of his speeches during the first five months of that year. At the heart of the Governor's program was a plan to revise the revenue structure of the state, in particular the income tax allocation formula for domestic corporations doing business both within and without the state, in such a way as to place North Carolina in a more competitive position in its efforts to gain new industries. The General Assembly adopted this proposal, revising the allocation formula to make it more equitable and to place it in line with modern tax concepts. It was the Governor's belief that whatever revenue losses the state might sustain as a result of this revision would be made up through industrial development and an increase in the wealth of the state.

Other measures advocated by the Governor and enacted by the Assembly included a reorganization of the State Highway Commission, separation of the prison system from the Highway Department, establishment of a Department of Administration to bring together several fiscal agencies, and the creation of a Division of General Services to replace the State Buildings and Grounds agency. The most warmly discussed issue was a bill to raise the pay of public school teachers and other state employees. The Governor and the Advisory Budget Commission had originally proposed a 9.1 per cent raise for the teachers, but he later reconsidered and favored a 15 per cent increase, which the legislature adopted along with a raise of 11 per cent for other state employees.

Additional victories for the Governor's legislative program were achieved in the enactment of a "work release law" to permit selected misdemeanor prisoners to work at their jobs by day and stay in jail at night and on weekends; in setting up a fund of $500,000 for mobile technical and vocational training schools; in granting aid to community colleges; in providing for a driver training program in the state's high schools; in a law designed to curb highway racing; and in the authorization of several study commissions, including one on the state constitution and another on school needs.

As was true of the 1955 session, the Governor failed to get from the Assembly a minimum wage law, a reapportionment of legislative seats, and a state-wide liquor referendum. He was also unable to secure enactment of a law to curb propaganda groups, including the National Association for the Advancement of Colored People. In general, however, he succeeded in getting the major items of his program adopted by the 1957 General Assembly.

Efforts to raise the state's low rank in per capita income, which had been a major concern of Governor Hodges ever since he assumed office, continued to occupy his thoughts and energy during 1957-1958. As he saw it, the remedy for this situation was to attract more industry to the state and thereby create more jobs for its people. To this end, in addition to advocating the revision of the state's income tax allocation formula for multi-state corporations, already referred to, he made speech after speech throughout the state calling for the expansion of existing plants and the establishment of new ones. He also led three industry-hunting expeditions to New York, Philadelphia, and Chicago, respectively, on each of which he assumed the role of the state's No. 1 star salesman telling "the North Carolina story of expansion, progress, growth, and economic opportunity." For similar reasons he spoke frequently and worked vigorously in support of the Research Triangle that was being projected in the Raleigh-Durham-Chapel Hill area.

The segregation issue, so prominent in 1955 and 1956, was largely dormant in so far as North Carolina was concerned during 1957-1958. It was, however, a problem for Governor Hodges on one occasion when, in September, 1957, he was asked to head a committee appointed by the Southern Governors' Conference to negotiate with President Eisenhower and Governor Orval Faubus in an effort to find a constructive solution to the Little Rock school integration crisis and to seek the withdrawal of federal troops from Arkansas. Governor Hodges was "gravely disappointed" at the failure of the President and Governor Faubus to agree upon a solution of the issue.

As chairman of the Southern Governors' Conference for 1957, Governor Hodges presided over its annual meeting at Sea Island, Georgia, in September of that year. He also attended and participated in meetings of the National Governors' Conference at Williamsburg, Virginia, in June, 1957, and at Miami, Florida, in May, 1958. Another title was added to the Governor's growing string when he was elected chairman of the Southern Regional Education Board for 1958. In this capacity he was able to express his views on education in speeches made at Charleston, South Carolina, Athens, Georgia, and Louisville and Lexington, Kentucky.

On the aforementioned and various other subjects, Governor Hodges delivered some 250 addresses during 1957-1958, an average of approximately one speech every three days. The places at which he spoke ranged from Miami, Florida, to Racine, Wisconsin, and from Sonoma County, California, to Brussels, Belgium. To reach these various places and in the performance of other duties connected with his office, the Governor continued to maintain his record as the state's most traveled chief executive. During the calendar year 1957 he logged a total of 62,864 miles, and during 1958 he increased this figure to 66,087 miles.

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MESSAGES TO THE GENERAL ASSEMBLY

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[The inaugural address on February 7 and the messages of February 11 and April 9, 1957, were delivered by the Governor in person and are printed in the *Journal of the Senate of the General Assembly of the State of North Carolina, Session 1957,* pp. 48-55, 59-75, and 273-278; and also in the *Journal of the House of Representatives of the General Assembly of the State of North Carolina, Session 1957,* pp. 75-82, 86-104, and 420-425. Two messages of a routine nature, transmitting appointments, were sent, one to a joint session of the two houses on April 4 and one to the Senate on June 7. These appear in the *Journal of the Senate,* 1957, pp. 238-239 and 758-759, and in the *Journal of the House of Representatives,* 1957, pp. 381-382.]

INAUGURAL ADDRESS

Before a Joint Session of the General Assembly

February 7, 1957

[As indicated in the preceding volume (I, 3), Governor Hodges had no opportunity to deliver the customary inaugural address of a new governor before the General Assembly when he first assumed office following the death of Governor William B. Umstead in November, 1954, since no General Assembly was in session at that time. Consequently, although he had now been in office for more than two years, and was to remain there longer than any other governor in the history of North Carolina since it became a state, the following was his first and only inaugural address made during his entire administration. The address and the ceremonies accompanying it represented a departure from tradition in a number of instances. Since there was no outgoing chief executive, the Governor did not ride to and from the ceremony, or otherwise share the occasion, with his predecessor. For the first time in recorded history all members of the Supreme Court, in their judicial robes, were in attendance. The event occurred in February instead of January, having been postponed a month in order to coincide with the meeting of the General Assembly which had been moved from January to February by a recent constitutional amendment. In contrast to traditional inaugurals, which had usually announced the governor's legislative program in detail, Governor Hodges discussed the state, its past achievements and its opportunities for the future, in general terms—or, as one commentator said, used his twelve-page thirty-minute speech to teach history.

Climaxing a two-day program of inaugural ceremonies and entertainments, the address was delivered before a joint session of the General Assembly and a large crowd of spectators assembled in the Raleigh Memorial Auditorium. The oath of office was administered to the Governor by Chief Justice J. Wallace Winborne and to the Lieutenant-Governor and members of the Council of State by other justices of the Supreme Court. The Governor was given a nineteen-gun salute as he left the auditorium, following which he witnessed the inaugural parade, along with Governors George Bell Timmerman of South Carolina and Thomas B. Stanley of Virginia who were present for the inauguration.]

Mr. President, Mr. Speaker, Members of the General Assembly, Ladies and Gentlemen:

Once every four years the people of North Carolina select by ballot a chief executive to administer the affairs of their state government. Once every four years there is held this solemn and impressive ceremony of inauguration for the new governor and other elected state officials who have been given the responsibility of office. It is a moving experience to find myself as the man chosen to take the oath of office as governor.

As the ninety-second individual to serve as governor of North Carolina, I am aware that no greater honor can be given to any citizen of our state. I should like to express my profound appreciation to the thousands of people in every walk of life, and from every section of our state, who have given me their support and expressed their confidence in me and in what I have been trying to do to help our state and our economy move forward. The people of North Carolina have been very generous to me. To the members of the several General Assemblies with which I have been privileged to work, I wish to express my gratitude for a cooperative and constructive approach to the problems facing state government and to express my appreciation for the assistance which has been given me in so many ways.

And, may I now say to the members of this General Assembly that I am looking forward eagerly to working with you. You come, as do I, directly from a mandate of the people, and we will together do our best to help this state as it faces great problems and great opportunities.

I fear that too few people really understand the responsibilities and activities of the General Assembly of North Carolina. There is often much unfair and unwarranted criticism of the General Assembly because of this lack of understanding. We have been fortunate over the years to have men of great ability, dedication, and patriotism to serve and lead the affairs of our legislative bodies. I have often pointed to this outstanding record of service on the part of our legislators because I know from first-hand experience that this is true. I am proud to be associated with you!

We have about 75,000 people employed by the state to serve our departments and agencies, including our great public schools.

These employees, their supervisors, and our agency and department heads have demonstrated high character, loyalty, ability, and a willingness to improve not only the job at hand, but the work of the state as a whole. I wish to express sincere appreciation for the work of our state employees and to thank them for their cooperation and for their assistance to me.

I should also like to express my appreciation to many good friends and associates who have cheerfully given their cooperation, their talents, and their unselfish assistance; and my deepest thanks go to my office staff and to my family, for their understanding, their patience, and their unfailing devotion during these past two years.

In January four years ago, my predecessor, Governor William Bradley Umstead of Durham, stood on this stage and delivered his inaugural address. Little did we who were present realize what momentous events were about to happen. Following his sudden illness which occurred two days after he stood here, Governor Umstead rallied and demonstrated great courage and determination in carrying on the duties of his office and in seeking and winning the support of the 1953 General Assembly for his legislative program. The state rejoiced when Governor Umstead returned to his office after more than four months in bed and plunged into the arduous full-time responsibilities of the governorship. He served with distinction and to the fullest of his strength and abilities until his sudden and untimely death on November 7, 1954. It was my duty and responsibility to take the oath of office formally on November 9, and to carry forward the work of the Umstead administration. Today, I pay tribute to Governor Umstead, his integrity, his courage, and his devotion to North Carolina.

I am acutely aware of the outstanding and dedicated service rendered by my predecessors in this office for the past half century. The men and their achievements are well known to all: Umstead—mental hospitals and schools; Scott—rural roads and capital improvements; Cherry—sound administration and conservation of war-time gains and revenues; Broughton—war-time leader and promoter of good hospitals; Hoey—orator and spokesman for good government; Ehringhaus—courageous leadership in the face of a national economic crisis; Gardner—able administrator who brought about numerous reforms in our state government; McLean—sound fiscal controls; Morrison—the first state-wide road system; Bickett—eloquent World War I leader; Craig—advocate of good schools and mental care; Kitchen—aggressive defender of the people's rights; Glenn—staunch conservative; and the great Aycock—evangel of the public schools. Think of these men and you think of leaders who have given the history of North Carolina "a forward thrust, and sense of direction, and infusion of important knowledge," not to mention ideas, programs, deeds, and accomplishments beyond immediate recall. Each of these men represented principles and causes followed by thousands of North Carolinians devoted to the welfare and future of the state.

This is the first instance in modern times that inauguration ceremonies have been held in February instead of January. Following the amendment of the constitution in the September 8, 1956, election changing the date for the convening of the General Assembly, it was my responsibility to decide whether to be inaugurated in January or February. I decided to continue the custom of having the governor take the oath of office in the presence of a joint session of the General Assembly.

The inaugural address of a governor has traditionally been the time when he outlined in some detail his legislative program for the state. Although I respect this tradition, I should like to take a somewhat different approach in that my remarks today will present a broad look at North Carolina, our government, our people, our heritage, and our future. Subject to the approval of the General Assembly, I should like to present my legislative program in the form of a biennial message to a joint session of the General Assembly on next Monday night.

Let us look now at North Carolina. The history of North Carolina and its settlement reaches back through the misty corridors of time to 1524, when the first of various French, Spanish, and English explorers touched this region. The first English colony in the new world was founded on Roanoke Island in 1585, and Ralph Lane of Surry, England, served as the first governor of the colony, which failed. William Drummond of Virginia, as the first chief executive under the Proprietors, began a period of colonial government which reached from 1663 to 1728. Richard Everard served as the first governor under the Crown in 1728, and Josiah Martin became the last governor under this arrangement in 1775. There was a brief period in which leadership was carried by the president of the Provincial Council beginning with Cornelius Harnett in 1775 and ending with Willie Jones in 1776. Then began the election of governors by the legislature, with Richard Caswell serving as the first governor under that system. This era ended with the term of Richard Dobbs Speight, Jr., in 1836. Edward B. Dudley became the first governor elected by vote of the people in December, 1836, and since that time thirty-five different men have held this office until today. Governor Daniel G. Fowle of Wake was the last governor before Governor Umstead to die in office. Governor Fowle succumbed in 1893 and was succeeded by Thomas M. Holt of Alamance, the lieutenant governor, who did not seek election as governor.

In its beginnings, North Carolina was one of the thirteen colonies strung out along the Atlantic Coast of a mighty and unconquered continent. She was settled by hardy, industrious, and independent English, Scotch-Irish, and German settlers looking for land, freedom, and opportunity. Hardship and adversity were everyday problems of existence. In April, 1776, when growing differences between the American colonies and the British Crown had reached serious proportions, the Fourth Provincial Congress of North Carolina met at Halifax and unanimously adopted the famous Halifax Resolves. Thus, North Carolina struck out in favor of independence from Great Britain when the colonies to the north of us were not yet ready to move. This resolute action on the part of our colonial convention had a profound effect upon the Continental Congress then in session in Philadelphia. We have always been very proud of our forefathers for this bold and daring act in a time of desperate danger and uncertainty. It has taken men with such courage, determination, and vision to make North Carolina the great state it is today.

In November, 1789, North Carolina became the twelfth state to join the Union and thereby link its fortunes and future with a new republic—the United States of America.

The years that followed were unsettled, and progress in North Carolina was slow for some decades until the adoption of several important constitutional amendments in 1835, which marked a real awakening and stirring among our people. The University of North Carolina, which had opened in 1795, was a leader in this awakening through the process of educating the young men of the state and in furnishing enlightened leadership for our counties and state.

North Carolina's participation in the War for Southern Independence was a great period of crisis, sacrifices, and patriotism to a cause which was lost. We supplied more than 125,000 men to the southern armies and supported the Confederacy with all our resources until April, 1865, when the end came. Then followed the dark and uncertain Reconstruction period and a time of bitter political turmoil. By the end of the nineteenth century, North Carolina was beginning to recover from the effects of the war and was showing signs of looking ahead for a better and more prosperous century to come.

Since the beginning of the twentieth century North Carolina has made more progress than in all her previous history. Stimulated by the broad and far-reaching education program launched by Governor Charles B. Aycock, the state since 1900 has never turned back in its forward march. During this period our population has more than doubled, and in 1950 North Carolina ranked tenth in the nation. In agriculture and industry, we have been a leader in the South for many years. This progress has been made in spite of serious handicaps and reflects credit upon our people and our state government.

We have not hesitated to invest in schools, roads, hospitals and health centers, port terminals, and institutions of higher learning. The record is most impressive. We were the first southern state to establish a tax-supported system of public schools, and we pioneered in the construction of a system of hard-surfaced roads. In public health, North Carolina had the first county in the United States to inaugurate full-time county health work, and North Carolina was the first state to manufacture and distribute free typhoid vaccine. We were one of the first states to launch a public welfare program, as authorized by our constitution of 1868, and as early as 1917 we provided a public welfare program for every county. We also were early leaders in farm and county agent work and in soil conservation.

In public education we have moved forward vigorously. At first the state aided public elementary and high schools and later

DRUGS
DRUGS
COSMETICS
Walgreens
FOUNTAIN LUNCH
Walgreens
CANDIES
LUX SOAP 25
WAR
And MRS.
LUTHER H. HODGES

News and Observer Photo

The Governor and Mrs. Hodges en route to the inauguration ceremonies, February 7, 1957.

Photo by Shafter Buchanan

Governor Hodges taking the oath of office (administered by Chief Justice J. Wallace Winborne) in the Raleigh Memorial Auditorium, February 7, 1957.

during the depression of the 1930's assumed responsibility for the basic support of a nine-month school term of eleven grades. Later a twelfth grade was added. We have seen total school enrollment increased to a million students with high school enrollment alone nearly a quarter of a million. Our program of consolidated rural schools, served by more than 7,000 school buses, was an early, constructive, and far-reaching effort by North Carolina to bring public education to every section of every county. And much of our comparative economic progress is due to our progress in education.

We have also done well in higher education. North Carolina now ranks seventh in the nation in the number of institutions of higher learning, and we have two members of the Association of American Universities, the University of North Carolina and Duke University. This association comprises a total of only thirty-seven distinguished institutions, and it is a tribute to higher education in North Carolina that Carolina and Duke are members. Both institutions have built up great research libraries that together contain more than 2,000,000 volumes. At North Carolina State College, we have one of the great land-grant institutions of the nation, where teaching, research, and extension in science and technology have made great contributions to the agricultural and industrial growth of the state. Our other state-supported colleges are well-known and integral parts of our higher educational system. There are many fine private institutions, such as beautiful new Wake Forest College at Winston-Salem, highly respected Davidson College, and many, many others.

We have advanced in other fields as well. The North Carolina Symphony Orchestra, the first such organization in America to receive direct state aid, has won a national reputation for the quality of its music and its tremendous educational work with the school children of the state. We have one of the finest programs of public library service in the nation. The Grass Roots Opera is an example of efforts to stimulate and encourage an understanding appreciation of this great form of art. The Morehead Planetarium at Chapel Hill makes a significant contribution to our education. Interest and activity in the field of history and in the preservation of historical antiquities, including the famous Governor Tryon Palace, have been very good. Tar Heels have pioneered in the production of outdoor historical symphonic dramas, such as "The Lost Colony," "Unto These Hills," and others; indeed to such an extent that the idea of staging these beautiful and moving dramas has spread to many other states. From an area that has been described as barren literary ground a few decades ago, North Carolina has become an oasis of literary production, with poets and novelists and other writers in every section of the state. One of the most significant cultural achievements in recent years was the establishment of the great new State Museum of Art which opened in 1956. To me, this is an example of the desire of our people to acquaint themselves and their children with the riches of life itself.

Our state is beautiful from our mountains to our seacoast. It has scenery, climate, and it is a friendly state.

One could go on and on, but praise is not enough. It is clear that we today are the inheritors of a splendid tradition of greatness. Yet, it is not enough to inherit greatness. We must be worthy of it!

In looking back across half a century, we are deeply stirred by the courage, the self-sacrifice, the spiritual faith, and the extraordinary vision of our people. While we have been blessed with great leadership, we have also had great followers. In fact, sometimes it seems that the people themselves are the leaders, and that our governors and legislators are important only as they understand and interpret the spirit of a great people.

Today, as in times past, North Carolina stands at the crossroads. We have made progress, but so have others. We must not stand still. Great decisions are in the offing; great choices must be made; great problems are demanding solution. At such a time, we, who, under the dispensation of Providence, hold for a little while the destiny of North Carolina in our hands, must take strength from the past; for the greatness of history is made manifest in the actions of the living. Do we today have the faith and the vision of our forefathers? Are we equal, as they were, to the demand of the hour? I am bold enough to answer for all North Carolinians and say that I am confident that we are!

The future, with all its problems, challenges, and opportunities, lies ahead of us. We must build upon the solid foundation of progress which is ours. All of us must—with proper regard to our individual responsibilities in our counties and localities—try to think of the state and its welfare. Careful planning, hard work, persistence, and unselfishness must be ours, if we successfully achieve our goal!

It is only natural to expect that any plans to meet the demands of the future may run head-on into well-established and accepted policies and practices which were designed to answer the needs of the past. Suggestions or criticisms as to government organization or reorganization, our economy, or other major parts of our life are not always welcomed because these suggestions usually mean a change from what has been done in the past. This is a very human reaction and is easily understood. Constructive criticism, from any quarter, should not disturb us, however, because this is a sign of maturity within our state. We should be glad that North Carolinians, while fully appreciating our past and our many blessings and resources, can still evaluate our shortcomings and, futhermore, can have the courage to speak out on matters which should be corrected. I agree with this point of view. Life itself is a vibrant and ever-changing process. To move forward intelligently, we must plan and work at our major goals and objectives. To do otherwise would result in aimless drifting in a competitive society which has no mercy on such dilatory actions.

Sir James Jeans once said:

> As inhabitants of the earth, we are living at the very beginning of time. We have come into being in the fresh glory of dawn, and a day of almost unthinkable length stretches before us with unimaginable opportunities for accomplishment. Our descendants of far off ages, looking down the long vista of time from the other end, will see our present age as the misty morning of the world's history; our contemporaries of today will appear as dim historic figures working . . . to make a world worthy for mankind to live in.

It is with the realization of such limitless opportunities before us, that I assume the office of governor of North Carolina. Surely God has been good to us and has given to each of us a responsibility and an opportunity to work for our own welfare, the welfare of our children, and welfare of generations yet unborn. It is my purpose to dedicate myself in the spirit of unselfish service to help in the unfinished task of building a better, greater, and more beautiful North Carolina. It shall be my purpose to do everything possible to raise the standard of living for the people of this good state. I am not satisfied with where we are. At the end of my four-year term, I may not be satisfied with the progress we have made, but I shall be pleased and gratified with any forward movement accomplished with zeal and courage. I shall give the state my best!

My motivation to serve our people has grown from love, affection and a sense of duty for North Carolina. I hope you will understand a personal reference which comes from a grateful heart. More than forty years ago I was working as a mill hand in Rockingham County, with my only assets being my youth, good health, and a stubborn determination to move ahead in life. I had been born across the line in Virginia, and my home in North Carolina is still within eight miles of where I was born. My father was a tenant tobacco farmer who found in 1899, the year after my birth, that he could not make it any longer on the farm, that he must find work to support his wife and eight children, so we moved over the line into North Carolina to a mill town where the ninth child was born.

My father, as did some of my brothers and sisters, worked in the mills sixty to seventy hours a week for about ten cents an hour. The pay was about the same when I went to work years later, as I was next to the youngest of nine. I was in the seventh grade before I ever entered a school building owned by the state or local government. My early school was a transformed mill house owned by the company. However, these were my beginnings, and I am grateful for them and the opportunities offered to me by my family, teachers, friends, and the state of North Carolina. I had the privilege of attending the University of North Carolina, where I found that you could make friends regardless of your station in life—yes, even those of us who were working our way through college. For all the opportunities I have had, I am eternally grateful, and I can never repay this state for what it has done for me.

Through the years, I have tried in my own way to serve my community and my state in many different capacities, just as tens of thousands of others have done. It is my honest belief that part of the genius of this great state is the wonderful service rendered without hope of personal reward, with humility and dedication, by good citizens who want to help their state, county, or community. I recall a statement made many years ago that went something like this: "Rome's citizens did not love her because she was great. Rome was great because her citizens loved her." That is the spirit I like best, the spirit which moves men to serve their communities and state rather than solely themselves, and the spirit which I believe is prevalent in our state. If we keep this spirit, if we nourish it, if we practice it, nothing can stop us.

May I say to the four and a third million people of North Carolina that we have a great heritage, a great present, and a great future. If we take our heritage and couple it with the opportunities of the present, a great future is assured. Our strength is within ourselves—as a people of a strong state. I am filled with pride when I think of the overwhelming love of our people for their state. Most of us are descendants of hardy early settlers, and our family roots are deep in the rich soil of this fair land. We have cherished the independence of thought and action typical of our forefathers. The importance of morality in thought and action should never be overlooked. From all of these qualities have come strong people, strong leaders, and respected leadership among the states of the nation.

We are a moderate but progressive people. Since our earliest days, our citizens have faced many tough and serious problems without panic or extremes. There is a characteristic stability about our people and our approach which is most important. This stability and moderation have enabled us to deal with even the most controversial of issues with calmness, resolve, and understanding.

As we look ahead in North Carolina, let us do it with enthusiasm and optimism, recognizing our problems and opportunities. Let us face up to these problems with a clear mind, a clean heart, and willing hands. Let us be inspired by the love of our state and what she has done for us and our children, and what she yet holds out for us and those who will come after us.

May the Good Lord lead and bless each of us!

BIENNIAL MESSAGE TO THE GENERAL ASSEMBLY

February 11, 1957

[Four days after his inaugural address (pp. 3-13), which did not include specific recommendations, the Governor delivered his biennial "State of the State" message to the 1957 General Assembly. In addition to his various legislative proposals he presented, though he did not read, the 1957-59 budget recommendations which had been prepared by the Advisory Budget Commission. The latter called for General Fund spending of approximately $543,000,000 during the biennium, the largest sum ever projected by North Carolina budget makers up to this time. Nearly one-third of the spoken message was devoted to the Governor's concern over the state's low per capita income and to building up a case for legislative support of certain tax revisions, notably a new allocation formula in regard to taxes on corporations doing business both inside and outside the state, which had been recommended by the Tax Study Commission created by the 1955 General Assembly. The message was delivered in the Hall of the House of Representatives before a joint session of the General Assembly and full galleries and was carried over a state-wide television network. Bookish listeners were quick to recognize in the concluding paragraph a neat paraphrase of some lines from Paul Green's symphonic drama, *The Lost Colony*.]

Mr. President, Mr. Speaker, and Members
of the General Assembly:

In my inaugural address last Thursday, I refrained from discussing in specific terms those things we believe should be included in the state's program for the coming biennium. This was done because I believe a governor's recommendations to the General Assembly can be better presented on an occasion and in a message designed solely for that purpose.

Separating the inaugural address and the biennial message is a departure from tradition, but it is one which seems to me to be justified and one of which I hope you approve. The form of this message tonight will also be a slight departure from tradition in that the spoken portion will not include a comprehensive discussion of the recommended budget appropriations, although I would like at this point to mention some of the total figures with which you will be dealing.

General Fund revenues for the biennium are expected to exceed the 1955 estimates by $47,500,000. These unanticipated funds, when added to amounts which have been saved from appropriations made by the 1955 General Assembly, will at the end of the present fiscal year provide the state's General Fund with an estimated credit balance of $59,871,113.

The existence of a substantial credit balance and business conditions which justify reasonably optimistic revenue predictions enable the state to accomplish many things which otherwise would have been impossible. These things include maintenance of essential state services, with full allowance for expected growths in population and school enrollment; salary raises for teachers and other state employees; an adequate capital improvements program; and the revision of our revenue structure as recommended by the Tax Study Commission. Total appropriations recommended for General Fund agencies, not counting capital improvements, amount to $500,678,543, as compared with total General Fund appropriations for 1955-57 of $417,492,613, an increase of 20 per cent. Appropriations for recommended capital improvements for the coming biennium amount to $42,541,474.

It is my sincere conviction that by proportioning the available funds in amounts which allow us to accomplish all of these things, rather than having to leave some undone because of devoting a larger amount to any particular program, our state will move forward toward an expanding and balanced economy while maintaining government services at the level expected by its people.

A budget summary will be handed to each of you in a separate printed pamphlet, and complete details will, of course, appear in the budget document itself. I have here a copy of the budget summary and the budget itself, which are herewith by reference made a part of this message.

Before discussing specific recommendations for a biennial program, I would like to call to your attention a few highly significant statistics which furnish us as background a thumbnail, but accurate, description of the state's economic structure. I feel that such a description will be helpful inasmuch as one of the major items of the program we shall recommend is the revision of our tax laws—a revision which has as one of its principal purposes the correction of certain deficiencies and imbalances in our state's economy.

The most disturbing statistics in connection with the state's economy have to do with our per capita income. We stand forty-fourth among the states and far below the national figure. This has been our situation for several decades, and it clearly reveals that something is not as it should be, because North Carolinians are as resourceful and as energetic as any other people in the United States, and given a chance, we can do as good a job as any other people in the United States.

Another disturbing statistic in connection with our state has to do with our population growth and the makeup of our population. Although North Carolina is one of the minority of the forty-eight states that doubled their population during the fifty years between 1900 and 1950, our rate of growth between 1950 and 1955 was not up to the growth of the nation and was exceeded by both Virginia and South Carolina. During this period between 1950 and 1955, our population increase was 6.9 per cent, and the increase for the nation was 9 per cent. Virginia's increase was 7.8 per cent and South Carolina's was 9 per cent.

Looking at the areas of growth and nongrowth within our state, we find variances as between different sections of the state, which are also cause for serious concern. Although fifteen counties in North Carolina had a population increase of more than 20 per cent in the decade between 1940 and 1950, twenty-two counties had a decrease in population during the same period, and nineteen others had an increase of less than 5 per cent. The counties having population decreases or having very small increases are in the eastern and far-western parts of our state. Those few eastern counties which show large increases in population contain large military installations, whose growth since 1940 has naturally been great.

Examining briefly the age groups of our population, we find high ratios of the non-income-producing age groups with a corresponding small ratio of the age groups who do produce income. According to the latest census, 41.3 per cent of North Carolina's population is under twenty years of age. The corresponding figure for the United States as a whole is only 33.9 per cent. The median age in our state is 25 years as compared with a median age of 30.2 years for the entire country.

This high proportion of young people means not only that we have relatively fewer income producers, but also that the cost of providing public education is a relatively greater burden on the income producers we have than is the case in most all other states.

I hasten to add that educating our youth is a burden our people have repeatedly shown themselves more than willing to bear, and our concern is not to lessen the burden but to find more resources with which to do a better job of education. It is our further concern that too often our young people, having received their education, are having to leave our state in search of the jobs for which they have been prepared and to which they are entitled.

Another significant fact in connection with age group ratios of our population has to do with the increasing proportion of older people. In 1900, persons sixty-five years of age and above constituted 3.5 per cent of our population, but in 1950, this figure was 5.5 per cent. We can note with particular concern that of the twenty-two counties in North Carolina that lost population between 1940 and 1950, twenty had higher than average percentages of older people and also higher than average percentages of older people requiring public assistance. A high ratio of older people requiring public assistance accompanied by a loss in population is, I am told, almost always attributable to a serious lack of economic opportunities.

Other disturbing statistics appear in connection with our farms. It can be safely said that one of the largest contributors to our low per capita income is the fact that our small farmers are not getting their part of the total income. Many other states, in which agriculture is of comparable importance, have a better per capita income than we do. Our problem is that our farms are small and that too little outside employment is available for the persons living on those farms. We have the smallest farms in the nation, and with the increasing mechanization in agriculture these farms grow more and more uneconomical every year that passes, since the small acreage will not justify the capital investment necessary for mechanization. Our farm agencies must continue to work on this problem.

The per capita income of those persons in North Carolina dependent on farming alone for their income is around $500 per year, whereas, the per capita income of those dependent on sources other than agriculture is something over $1,600 per year. A particularly interesting figure is one which has to do with the 41 per cent of farm operators in the state who supplement their income with work off the farm. Of this 41 per cent who have outside work well over one-half have an income from their outside work which exceeds their total farm income. This fact offers great encouragement if we can find ways to make more jobs outside agriculture available to small farmers. With our fine secondary road system making it possible for industrial plants to draw workers from areas up to forty miles from the plant itself, there are great possibilities here. Surely, if there is any possible way in which our small farmers can remain on the farm and still make incomes adequate for themselves and their families, we ought to try to find it. It is my purpose to do everything I can along these lines.

Ladies and gentlemen of the General Assembly, it is my conviction that North Carolinians prefer to have the facts, and our willingness to examine ourselves in the bright light of self-criticism and analysis is, as our own Walter Hines Page once said, a mark of the maturity of our state. The few statistics I have mentioned present a disturbing picture of the economic situation in North Carolina as of today. It is a situation which must give all of us serious concern. It is also one which forces this question upon us: How are we going to provide the jobs which our people must have if our state is to move forward?

We already know that opportunities for making adequate incomes solely in agriculture are available for fewer and fewer people. The number of persons needed in the farm economy declines every year. A recent report published by the Bureau of the Census tells us that unless there is a net migration from the farms, there are for the United States as a whole 135 rural males for every 100 needed for replacement in the 25-69 age groups. In North Carolina, the replacement ratio in this age group is 192 compared with the 135 for the nation. That is the highest in the United States except for South Carolina. It is in the coastal plain counties that such surpluses are highest.

Returning to the question of how to provide jobs that our people must have, I can see only one answer. We must develop more industry, both manufacturing and agricultural. We must create more industry locally financed, and we must bring in more industry from outside. We must encourage in every reasonable way the expansion of industry which is already here. As I shall discuss further in a few minutes, it should also be remembered that if we are to prosper as a state, our agricultural economy must prosper, and methods to improve things in this field must be a definite part of our over-all efforts to strengthen our economy.

Our industrial growth has fallen behind the rate of growth in the other southeastern states, and behind the rate of growth in the nation as a whole. Thus, in spite of the fact that many new plants have recently begun operation here and many older plants have expanded, we are falling behind, relatively speaking. It is, therefore, necessary that we remove insofar as possible whatever roadblocks that now confront our further industrial improvement.

The 1955 General Assembly was aware that a roadblock to our industrial development might be found in our tax structure and adopted legislation which authorized the creation of a commission to study the revenue structure of the state. This legislation specifically directed a detailed study of the impact of state and local taxes on industry and specifically alluded to the possibility that the allocation formula under which the income and franchise taxes are levied is excessively harsh and inflexible.

Shortly following the adjournment of the 1955 General Assembly, the Tax Study Commission, as it has come to be known, was created. Its members labored nearly two years in their study and in the preparation of their report. I would like to take this opportunity to express again publicly the state's deep appreciation for the patriotic service of the members of the Tax Study Commission. I particularly call to your attention the fact that despite the widely varying economic viewpoints among the members of the commission, their report is unanimous.

The commission's report confirmed the misgivings expressed by the 1955 General Assembly with respect to the detrimental effect of our present tax structure on industrial development. I shall not take the time tonight to go into any detail concerning the recommendations contained in the commission's report, since all of you have received copies and I am sure have studied them. As we progress into this session of the 1957 General Assembly, I know that you will be constantly referring to them. I would, however, like to make a few observations and comments concerning these recommendations.

It should be kept in mind that these recommendations are comprehensive, and although there has been a great deal of discussion concerning their effect upon businesses with multi-state operations, there are many other significant aspects to the report.

I have been highly gratified with the general response to the tax proposals and to learn that in general they are receiving widespread approval among our people. Even some of those who will have some slight tax increase are speaking out in support of the program. Several groups of citizens representing particular economic interests whose tax bills will go up as a result of adjustments have contacted me and expressed their approval of what we are trying to do. They have stated that, in their opinion, the resulting stimulation of business and industrial activity would provide an over-all good for the state which would more than compensate for whatever temporary loss might be felt. Instances such as this do my heart good, and I realize more than ever what wonderful people we have in our great state. With that sort of attitude North Carolina is bound to move ahead.

Naturally, there have been objections to the proposals here and there. Some have claimed that it is a "give-away" program for big business. In my opinion, criticism such as this probably grows out of a misunderstanding of what is in the commission's recommendations. In the first place, it is not a "give-away" program in any sense. Industrial operations, whether they be large or small, will continue to be taxed by the state at the same rate they have been taxed heretofore. Our corporate income tax rate is now 6 per cent, which is as high an effective rate as there is in the country. It is not proposed that this rate be lowered. It is recommended, however, that we remove certain unfair aspects from our system of taxation on industry, in order to bring us in line with the approach used by the great majority of other states.

I never did, and still do not, approve of "give-away" programs for industry. The industry we would attract with such programs is not the kind of industry we want. Good industry, and the kind we want in North Carolina, is willing to assume its fair share of the tax burden. All that the recommendations of the Tax Study Commission are seeking to do is to make our taxing of industry fair. What fairness is there in North Carolina taxing that portion of a corporation's income which is earned in another state, as we now do in many cases, under our present tax laws?

I also call to your attention the fact that many, many citizens of small and moderate incomes are directly benefitted by these tax proposals. For instance, a home owner, and there are many in North Carolina, who sells his home and receives for it an inflated price will no longer have to consider that inflated price as income if he reinvests his money in a new home within a year from the sale of the old one. Under present law he must pay income tax on any gain received, even though he immediately has to buy another house at an inflated price and has no real gain. Furthermore, it is recommended that all citizens be allowed to use what is referred to as the "standard deduction" on their income tax forms, rather than have to list individually all deductions such as contributions to charity, interest on mortgages, et cetera. Under present state law, only those persons whose income is received solely from salaries or commissions are allowed to do this, which means that taxpayers such as small farmers and small businessmen are now denied the privilege. Well over 100,000 citizens will be favorably affected by this single recommendation.

It is to be kept in mind that what we are seeking in this tax program is another tool in our efforts to raise the per capita income of North Carolinians, which is but another way of saying that we are trying to raise the standard of living of North Carolinians—all North Carolinians. My travels have taken me the length and breadth of this great state in this effort, and the specific purpose of every program we have undertaken in connection with our economy—including the establishment of the Business Development Corporation, the Research Triangle, and, in recent weeks, the State Nuclear Energy Advisory Committee—has been toward that end.

The only way to raise a per capita income figure significantly in a state such as ours is to raise the income of the great bulk of our people, which is made up of persons with low and average incomes. Increasing higher bracket incomes will not do the job. For example, it is estimated that if we were to increase by 10 per cent the income of every North Carolinian who makes $10,000 a year, or more, the per capita income figure, which is now $1,236, would not be increased by more than $10. If, on the other hand, we were to raise the incomes of all persons earning $5,000 per year or less—these include the persons making one, two, or three thousand dollars a year—if we were to raise these incomes by 10 per cent, the per capita income figure would go up at least $250, which, based on this year's figures, would put us thirty-fourth instead of forty-fourth. Naturally, we are not against persons with high incomes enjoying continued or increased prosperity, but the program I want for our good state is one which is dependent on increasing the low and moderate incomes.

There seems to be considerable concern over the proposals of the Tax Commission that additional revenue-raising powers be authorized for local governments. I am advised that the Tax Commission made these proposals, which do not affect state revenues, in recognition of the fact that our cities and counties are continually hard-pressed for revenues to meet their essential local services. This is going to be increasingly true as more and more people settle in and around our cities, and unless some leeway is provided and means are established for taxation, you may expect demands for more drastic action on the part of municipal governments, in the form of demands for such things as local sales taxes or other such undesirable measures. Already, in some of the other states there are city sales taxes and various city consumer levies.

We could discuss other features of the recommended tax revisions, but you will have ample opportunity for this sort of thing during the coming weeks.

May I say to you in frankness and sincerity that now is about the only time in our modern history when these far-reaching tax changes and adjustments could be made. Our revenues this present biennium have far exceeded our estimates, and we are happy that the country's economy has made it possible. The general outlook for the next biennum is comparatively good, although none of us should expect these recommended tax changes to result in any immediate inrush of industries. A basic change in the nature of an economy is a long-term process and does not take place overnight, no matter what tax changes are made.

The concluding thought I would like to leave with you with respect to the tax portion of the program I am recommending is simply this: The proposed revisions in our revenue laws were formulated together, and the effect of each change was considered in the light of conditions which would exist with all other changes. There has been no attempt to show favoritism to any group. Rather, the desire has been to remove inequities wherever they were found. The approach has been one looking to the over-all good of all our people, and although there may be differences of opinion as to details, I want you to know that that is the spirit with which the recommendations are submitted to you.

AGRICULTURE

When we speak of improving the economy of North Carolina, it seems to me unrealistic if we do not recognize that while we are making every effort to accelerate our industrial development we must at the same time place equal emphasis on improvement in the agricultural segment of our economy. The goals being sought by both kinds of activities are the same, and such over-all improvement as we are able to accomplish must, as I have previously said, find industry and agriculture going down the road together side by side and hand in hand.

North Carolina is still predominantly an agricultural state. We still have twice the national average in number of people on the farm. In many ways this is good, but in some ways it is not good, as it keeps down the income of our people and makes more hazardous their ability to improve their incomes. However, as already mentioned, the fact that many small farmers are able in certain sections of the state to secure adequate income through off-the-farm jobs offers great possibilities for improving the situation and making it possible for them to remain on the farms.

Looking at the over-all picture in agriculture, without singling out the problems of the small farms, we can see definite progress. We are making progress in diversification. Our cattle and dairy businesses are growing. Poultry now brings to the state the second largest amount of money of any of our farm commodities.

Government agencies, both state and federal, having to do with agricultural problems, are cooperating to improve our farm production through diversification of crops and in many other ways. I want to commend all of them for the great service they have rendered. They have made life for our rural people much more enjoyable, and they are pointing the way to a more comfortable future, yet they have been practical and realistic enough to point out the dangers which we are facing with the decrease in our tobacco economy. They and others are giving more attention to marketing, packaging, and selling. Particular mention may be made of the work of three state agencies, the School of Agriculture at North Carolina State College, the Department of Agriculture, and the Department of Conservation and Development, which have all worked together to bring greater industrial and agricultural development to this state. Each of the three has specifically had a hand in bringing in from the outside a specific industry in the form of a factory or processing plant or research farm.

Let us interest ourselves, as representatives of the people from the 100 counties of this state, in the problem of development of all segments of our economy. You, as the elected leaders in your counties, can help a great deal by discussing these matters with representatives of our state agencies. I have urged them in turn to counsel and advise with you. Let us bring forward together the resources of both agriculture and industry to the end that our state and all of its people will have better incomes, better homes, better schools, and all the other good things of life.

PUBLIC EDUCATION

We turn now to consideration of the needs of our public schools. Public education is, in my opinion, of more fundamental importance to the long-range and well-rounded development of our state than any other state governmental program. The story of the growth of our schools through increased enrollment and of the shortage of qualified teachers is one with which you are all familiar, and I shall not dwell on it here. This good state, since the turn of the century, has shown an almost paramount interest in public school education. We have, during the last twenty-five years, supported our public schools at state level in a generous manner commensurate with the state's resources. We should continue to do so. We should provide a good minimum on an equal basis for all children in our 100 counties. For this next biennium the recommended amount for the nine-months school term is $286,000,000, as compared with $247,000,000 for the present biennium. We should increase appropriations through the years to maintain this good minimum for the continually increasing school population and should raise salaries for our 35,000 teachers as we raise salaries for our 41,000 other school and state employees.

Governor Hodges with Governor George Bell Timmerman, Jr. *(center)* of South Carolina and Governor Thomas B. Stanley *(right)* of Virginia at the Mansion on inauguration day, February 7, 1957.

News and Observer Photo

Governor Hodges cutting the cake at a surprise party given by his office staff on the eve of his birthday, March 8, 1957.

School leaders and school teachers should, even as you and I should, constantly reappraise their jobs and the system under which they work. The people are increasingly asking such questions as, "Are we really preparing our children to enter college or to enter an occupation where they are best suited?" "Why shouldn't we have our school plants open twelve months a year and put teachers on a respectable year-round basis?" "What of more and better teaching in science and mathematics?" "What of teacher shortage and teacher helpers, and what of rewarding on the basis of ability?" "How do we finance further buildings?" Not just school people but all of us, at all levels and in whatever position, must help to answer these pressing questions.

We must have a long-time goal of state leadership and support supplemented by funds from local sources to build the kind of school system we ought to have. I appointed sometime ago a statewide Citizens Committee for Better Schools, not just to make an official report to a legislative body, but to work throughout the communities of North Carolina, arousing the total public interest in their public school education. I believe we will see worthwhile results from this group of fine citizens and thousands of others of like mind.

We need more vocational and technical education, particularly on the industrial side, to meet our changing economy. I am glad to say that the State Board of Education is working on this at the public school level, and that the Board of Higher Education is recommending the establishment of technical institutes and the strengthening of the one now in existence. This board has also proposed, and the Advisory Budget Commission and I have approved for your consideration, the creation of a loan fund to be available to young people of college age and qualification who want to go into public school teaching and need financial assistance to secure the necessary college education.

One concluding thought with respect to the public schools has to do with possible action by the Federal Congress. In the event that while you are in session federal funds for school construction are made available to the states, we will make appropriate recommendations to you. If Congressional action should come after you have adjourned, it is possible a special session may have to be called to take care of this important problem.

HIGHER EDUCATION

Moving into the field of higher education, we find definite reasons for encouragement and at the same time many challenging problems. The Board of Higher Education, although barely underway in its activities, is beginning to provide the much needed coordination among the state's institutions of higher learning. This board's review of institutional budgets prior to consideration by the Advisory Budget Commission has been of great help to us.

We are recommending appropriations for the operation of our colleges and universities which are, in our opinion, adequate; and of course salary increases for college personnel will be included. We have also included recommendations for several new buildings for institutions.

One of the most significant developments in the area of finance for our colleges is to be found in the construction of certain kinds of capital improvements on a self-liquidating basis. This type of financing will require the establishment of a revolving fund to finance the construction of the buildings with provision made for receipts from the use of the buildings to be paid back into the fund. The Budget Bureau is looking into expanded use of this technique, and we have included in our recommendations to you several capital improvements to be constructed on this basis.

Another significant possibility in this area has to do with the use of closed circuit television for instructional purposes. The television operations at the Consolidated University are already doing a fine job of providing courses by regular television for which college credit may be received. This is a commendable program being carried on by WUNC-TV.

We are not yet far enough along in the closed circuit aspect of television to know where we want to go or how far, but the Board of Higher Education is making some preliminary evaluations, and we are recommending that you authorize a contingent appropriation for the Contingency and Emergency Fund to finance an experimental installation, in the event that the board believes such an installation worthwhile. Expenditure of this appropriation would be subject to the approval of the Advisory Budget Commission, as well as the governor and the Council of State. This is a long-range project and one which, if feasible, could provide great savings to the state over the years, and be a partial answer to shortages of teachers in the public schools and colleges.

We also believe there are great possibilities in the future development of community colleges. As suggested by the Board of Higher Education, it is recommended that the state bear approximately one-third of the college grade instructional costs of students at the community colleges in Charlotte, Asheville, and Wilmington, and that the state provide funds on a matching basis for capital improvements at these colleges.

All in all, there are many reasons to be encouraged over developments and possibilities in higher education, and I am confident that we can look forward to a fruitful biennium in our institutions of higher learning.

HIGHWAYS AND HIGHWAY ADMINISTRATION

In considering the needs of a growing and progressive state, highways and highway administration are of major importance. The dramatic development in this field since I last discussed highways with you has been the enactment and the beginning of the federal highway program with respect to the interstate highway system. The release of tremendous amounts of money from Washington to be spent in highway construction brings many problems as well as many benefits.

You will remember that we did not accept the recommendations for a highway bond issue and kept state highway expenditures on a pay-as-we-go basis. This was done at least partially in order to await the effects on state highway financing which would be brought about by the federal highway program. In my opinion, the decision was a wise one. With highway revenues exceeding estimates and with the availability of large sums of federal money, it is obvious that for the time being at least the state could not intelligently spend more money for highways even if it had it. Competition among the states and among private engineering firms has made it very difficult to secure and retain competent engineering personnel sufficient to do all that we can finance under present conditions. There just is not enough trained personnel to go around. We hope in the very near future to install a training program in the Highway Department by which personnel below the level of professional engineering can be trained in the details of highway construction, which will permit one professional engineer, with the help of these trainees, to do the work of several professional engineers. And we hope greater use will be made of modern accounting and electronic equipment to save engineering talent.

The total amount of federal highway funds to come to North Carolina for the year ending June 30, 1957, is $49,992,474. The amount for the coming biennium is $136,149,992. The total budget of the Highway Commission, including federal funds for the coming biennium is $380,961,467. Proper expenditure of such tremendous amounts of money will require top efficiency and careful planning.

We have done a good job in North Carolina in building our highways. The need has been so great, the demand so strong, and the pressures so personal that we have, however, allowed the Highway Department to be built up almost as an independent empire. Without being critical of the present administration of highways or any previous administration, it is my sincere belief that it is time to reappraise and reorganize the Highway Department.

A distinguished study commission, created by the 1955 General Assembly, has for the past two years been studying possible ways of reorganizing the Highway Commission. I would like to take this opportunity to express the state's deep appreciation to the members of this study commission for their excellent and unselfish work in the public interest. The report of this commission has been submitted to you. I support it enthusiastically. In its adoption you will effectively place the largest spending agency of the state government in the same category, and under the same budget controls, as are our schools and other important agencies of the state government. The Highway Department will have a modern accounting structure, and its organization will be so constituted that it will do a more effective job. The Highway Commission will be a policy-making body just as are other boards of the state government. The director should be a career man, just as are the heads of most other departments. The building of our roads, especially the primary and inter-state system, will be on a state-wide basis, rather than having the authority delegated to individuals in various parts of the state. A policy board, rather than individuals, should control the expending of these large sums of money.

More attention, rather than less, will be given the secondary or rural roads. The county commissioners, who are the elected officials charged with the management of county affairs, will be consulted, even though the final decision must rest with the Highway Department. In the new organization, methods will be devised to see that members of the commission and the commission itself will be available to citizens and groups. Further, it is the plan to have a top man in the Highway Department management whose exclusive interest and duties have to do with rural roads. He will keep in constant touch with county and other local officials as well as the public. We have a wonderful secondary road system, and we want to make it an even better one. We can do this by setting up standards by which our rural roads will be built and not have them built on the basis of who knows whom.

I assure you my one and only interest in the Highway Department is to see that the people as a whole are served, and that North Carolina gets the most needed roads for her money. I strongly urge the adoption of the recommendations submitted by the Highway Study Commission.

PRISON SEPARATION

A matter closely related to highway administration is the recommended separation of the prison system from the State Highway Commission. As you know, this is a subject which has been before the people of our state for several years, and there is much public interest in it. At the suggestion of the Commission on Reorganization of State Government, which reported to the 1955 General Assembly, a special committee was created by the General Assembly to determine the feasibility of separation. The committee, composed of the chairman of the State Highway Commission, the chairman of the Prison Advisory Council, and the director of prisons, reported several weeks ago that separation is feasible and can take place by July 1 of this year. I shall not attempt to discuss the details of the report here. I would like to mention, however, that this report reveals much room for improvement in the way we handle short-term prisoners, and we plan, through the increased use of probation and parole techniques, to take steps to help remedy this situation.

As a matter of logic, there is no basis for continuing the prison system under the Highway Commission. Some persons have felt that to separate the prison system from the Highway Commission would place too great a burden on the General Fund. However, with provisions for the continued hiring of prisoners on contract by the Highway Commission, and with other programs being developed for the employment of prisoners—programs such as forest rehabilitation, prison industries, and farming—the financial cost to the General Fund will not be great, comparatively speaking. And I am hopeful that an independent prison system can, in the long run, be made reasonable self-sustaining.

Prison support is a burden which should be shared by the state as a whole, and the continued diversion of highway revenue to take care of a legitimate expense of the general government ought to stop as soon as reasonably practical.

The recommended budget includes appropriations to accomplish separation. Bills will be introduced for your consideration which further implement this recommendation, including a bill to set up an independent prison department, a state use law, and others. All of these measures I strongly recommend that you adopt.

ADMINISTRATION OF JUSTICE

Closely related to the subject of prisons and prisoners are several other matters which deserve your attention. The problem of what to do with juvenile delinquents who have been sentenced to correctional institutions, but for whom there is no room, is one needing serious consideration; and there are other problems having to do with youthful offenders. The Youth Service Commission has submitted a report recommending the creation of a state-supported system of domestic relations courts. This may well be a long-range need of North Carolina, and I hope you will give the report your careful study.

Excessive and uneven workloads and problems of conflicting interests facing our "part-time" Superior Court solicitors should be dealt with. We cannot expect efficient law enforcement if the state's lawyers are forced to handle the state's cases while trying to augment inadequate salaries by carrying on private law practice. During the time you are here, these and other problems of a similar nature will be placed before you, accompanied by recommendations for improvement, and I urge your careful attention to the proposals offered.

So far as I am aware, no substantial changes are otherwise being proposed in our court system at this time, and I think this is fortunate, since a comprehensive study along these lines is now being made by a distinguished committee of the North Carolina Bar Association, looking toward presentation of recommendations to the 1959 General Assembly.

HIGHWAY SAFETY

Speaking in the general area of improvements in the administration of justice and of better law enforcement, I hope you will deem it advisable to provide our Department of Motor Vehicles with the safety program being recommended by the commissioner. The department's proposals have been prepared in a booklet, and this material is deserving of your serious study. I also commend to you the proposals which will be submitted with respect to driver education. It is inconceivable to me that our state will continue to tolerate conditions on our highways which result in over 1,000 deaths every year, not to mention the thousands of personal injuries, many of a crippling nature, and the tremendous property damage.

We have made some progress in lowering the death rate in relation to the number of miles being traveled and the number of motor vehicles registered, but with a 40 per cent increase in motor travel miles in North Carolina since 1950, we must redouble our efforts and place every reasonable and practicable method of better traffic law enforcement in the hands of our officials. I approve of the major proposals submitted by the Department of Motor Vehicles, and I hope you will adopt them.

REORGANIZATION OF STATE GOVERNMENT

We have spoken of reorganization of the State Highway Commission and separation of the prisons. There are several other matters in the nature of governmental reorganization with which you will be concerned. North Carolina seems to have adopted a policy of gradual and continual reorganization in its state government, which was begun by the reorganization commission created in 1955. In my opinion, this is a sound approach to the subject and results in better considered and more workable proposals being submitted to you.

The reorganization commission has done an excellent job in the areas with which it concerned itself, and I would like to express the state's appreciation to its members for their fine work. Their studies have resulted in ten separate reports, all of which have been forwarded to you. Time does not permit even the listing of the commission's recommendations, but I believe they will impress you, and I hope you will give all of them your close attention, especially those which coordinate and cut down present and future duplication and expense, and especially those which will reduce the number of persons with whom the governor must deal directly. The chief executive of an organization as large as our state government—expending biennially around a billion dollars—needs to be as free from the details of direct day-to-day administration as is reasonably possible. Yet he must have a practical means of keeping himself constantly informed as to how the various fiscal and other service agencies are functioning. In my opinion, the creation of a department of administration as recommended by the reorganization commission, in which several service agencies can be consolidated, will be a great aid to future chief executives, as well as to me, and I strongly recommend that you authorize the establishment of this department. I also hope that you will again authorize for the next biennium a reorganization study commission to continue the gradual and intelligent approach to modernizing our state government.

There are three other matters of future reorganization, one perhaps more properly called rearrangement, about which I would like to speak briefly to you tonight. We have in our capitol building one of the most beautiful small capitols in America. It is an architectural gem, which should never be changed. It simply does not, however, and cannot take care of the needs of this state, or of your needs as lawmakers. We have done too little long-range planning for all our state building needs, including the Capitol. No one is to blame for this. When we could purchase land and build, we had no money. When we had money, we thought of other places to spend it.

I will not take time to tell you of the lack of space in many offices, including my own, or the inefficiency of our present inadequate setup. You will see it each day while you are here. We need a modern structure, ample room, including press galleries, and all that the present day demands. I, therefore, recommend that you authorize or appoint a capitol building commission to think seriously on the problem of planning and financing a capitol office building of which we can be proud and which will serve the needs of a growing state.

Another matter concerning future reorganization has to do with our state constitution. North Carolinians are basically traditional and conservative, yet we have stood out in the South and in the nation with respect to new ideas of government and public service. Our state constitution is old and outmoded. It needs revision and redoing. It should be modernized to meet the needs of our people. I, therefore, recommend that you authorize a commission to submit recommendations for constitutional changes to the next General Assembly.

And speaking of our constitution, I would like to mention the third of these items, namely, the reapportionment of the General Assembly, which is required by our constitution, following each census. As you know, nothing has been done in this respect since the census of 1950. There has been furnished to each of you a report of a commission of distinguished North Carolinians, recommending a plan of reapportionment. I would like to express the state's appreciation to these fine citizens for their work and to say that I think you will like the plan that they have recommended. In the event that you do not, however, you still have the responsibility of reapportionment.

NATURAL RESOURCES

North Carolina is blessed with many natural resources which need developing and conserving. Our forests, which constitute 64 per cent of our total land area, are potentially a great asset, and I appeal to commercial and private interests to reforest and use our trees as crops. The state nurseries are producing seedlings at the rate of 50,000,000 a year, which is an increase of 560 per cent since 1950. We hope that in two or three years we will be producing annually 100,000,000 seedlings. Our mineral resources are being discovered and new ones identified. For the first time since 1875, we will have soon a state-wide geological survey which will aid the state and its citizens in the exploration and development of mineral resources.

We are blessed in North Carolina with 49.15 inches of rainfall annually for the state as a whole, which is sufficient for our needs if we properly conserve it through better soil conservation, impoundments, and other methods. We must plan wisely and work cooperatively on our water problems, for our state's future development in agriculture and industry will be affected by our handling of this great resource.

HURRICANE REHABILITATION

As you know, the state has been visited by several destructive hurricanes during the last few years. Our people suffered losses upwards of $300,000,000 from these storms in 1954 and 1955. Providence spared us in the season just passed.

Whether we have future hurricanes or not, and chances are that we will, we must do some courageous planning and work to preserve our shore lines, our coastal farms, our beaches, our inland streams, and other resources. Short-range planning and legislation must include such things as stabilization of our beaches through construction and replanting, clearing of cattle and stock off of our shore land, rehabilitation of damaged farm land, mosquito control, and other cooperative endeavors of all kinds. A report has been given you by the Mosquito Control Study Commission, which will give you an idea of the magnitude of just one aspect of this task.

For the future, we must continue to think and plan on a long-range basis, with our Congressional delegation, the United States Corps of Engineers, and with officials of the counties and towns affected, with respect to matters of erosion, stabilization of inlets, impoundment of water, flood control, proper drainage, and similar matters. This sort of activity may well require the use of present drainage districts or the creation of other types of districts for rehabilitation purposes.

Proper planning and action in this area should permit us to open up great acreage for forestry and farm use and for the great industrial development that must come. These things will run into money. It will take tens of millions of dollars, most of which, of course, must come from the federal government, but the state and local governments must also make substantial contributions.

We have people working on these things full-time, and we are recommending that you authorize the creation of a planning division in the Department of Conservation and Development to work with cities and towns in planning their development and rehabilitation, and with federal agencies. The creation of this division will also permit cities and towns in North Carolina to receive special federal funds set up for these purposes. Legislation will be introduced implementing these suggestions, and I hope you will give it your favorable consideration.

MINIMUM WAGE

In the state's program to raise its per capita income, we should have a minimum wage. One of the essentials of prosperity is widespread purchasing power in the hands of the people. A minimum wage will help provide this by raising the level of our very low income earners, something we badly need to do.

WELFARE, HEALTH AND HOSPITALS

Although we are making plans and looking ahead with optimism to the growth and prosperity of our state, we must always keep in mind that many of our citizens, because of reasons beyond their control, are in need and will be unable to participate like the rest of us in whatever progress we enjoy. These needy people include our citizens who are too old, too young, too disabled, or too ill to work, and are without private means of financial support. Our state is rightfully committed to providing essential financial aid for these unfortunate members of our society.

North Carolina has an excellent record with regard to the administration of its public welfare program, its public health program, and its hospital program. Increasingly, our welfare activities are being geared to help individuals attain self-care and self-support. Such services are constructive and help to strengthen the social fabric of our state. The welfare officials are, however, prevented by gaps in basic legislation from developing properly certain policies that are needed to improve administration. I urge careful consideration of certain proposals which will be presented to you for legislation to correct these situations, and I hope such legislation will include methods to help control welfare payments to mothers of illegitimate children.

Our public health services continue to be outstanding. The State Board of Health will seek your approval of a much needed re-writing, or codification, of all public health laws along the same lines as was accomplished during the 1955 session in connection with the public school laws.

The hospital program in North Carolina is progressing on all fronts. Many hospitals are being built throughout the state, and the work of our tuberculosis and mental hospitals is meeting remarkable success. The number of tubercular patients in our hospitals is decreasing slightly, and the mental hospitals' waiting list is being reduced, thanks to the capable and devoted work of outstanding board members and to the use of modern techniques, such as tranquilizing drugs, et cetera. Budget recommendations include provisions for mental training schools at Goldsboro and Butner, and I urge that you continue to give our health and hospital programs the support they need and deserve.

ABSENTEE BALLOT AND LIQUOR

We now come to the perennial subjects of the absentee ballot and the liquor referendum, and I shall repeat the recommendations made in my biennial message to you in 1955, which were that the civilian absentee ballot provisions for the general elections be abolished, as has been done for the primary elections, and that you submit the liquor question to a vote of the people.

SEGREGATION

I would like now to make a few brief remarks about a matter which has given, and continues to give, all of us a great deal of serious concern. This is the problem which resulted from the segregation decisions of the United States Supreme Court in 1954 and 1955. Thanks to the dedicated work of the two Pearsall committees during this period and the wisdom of the General Assembly in 1955 and the special session in 1956, North Carolina has to date dealt well with this problem. We have been fortunate in being spared the lawlessness and violence which have taken place elsewhere, and I would like to commend all of our citizens for their calmness and wisdom.

I am informed that the Advisory Committee on Education has under consideration the question of whether it will recommend any changes in some of the school laws, but that decision on this will probably await disposition of several legal actions now pending in this and other states. In the meantime, I would like to recommend to you that we strengthen the registration laws applicable to various pressure and propaganda groups, and legislation will be introduced along these lines.

CONCLUSION

The program I have submitted to you tonight is one of many facets and of far-reaching consequences. These are things which after careful study, deliberation, and discussion, I believe are necessary for the people you and I represent, and for the state we are sworn to serve. I have great confidence in your ability as representatives of the people to consider promptly and dispose of the business before you from a viewpoint of what is best for the state over the long pull. And I have faith that your final judgment will be for the best interest of our beloved North Carolina.

In closing this rather lengthy message—but the state's program is large and most important—I would like to describe for you a vision of what I believe can be the North Carolina of the future:

I see a land of thriving industry of many kinds—manufacturing, agricultural, research; with plants distributed throughout the state, east, west, north and south—set well apart on our countrysides and in well-planned small towns and medium-sized cities, drawing their workers from all the surrounding areas, without the slum conditions, the polluted air, the unmanagable congestion, and the other unwanted characteristics of the present typical American industrial center. This is a land where all workers are land owners and home owners, rather than modern-day cliff dwellers cramped in gloomy rented flats and furnished rooms; a land with prospering farms producing many different crops and no longer dependent for their existence on a one- or two-crop market. I see in every community well-constructed, modernly equipped, and modernly run schools, staffed by adequately trained and adequately paid teachers, supported by an enthusiastic people who demand nothing less than the best for all children. This is a land where all citizens have sufficient economic opportunity, spare time, and education to enjoy the best there is in life through private pursuits supplemented by public cultural and recreational facilities. And in this land, looking out over all else, there are the towers of colleges and universities, for it is an enlightened land, and the spires of many churches, for it is a moral land.

This is the vision, the North Carolina dream. And it is not an unattainable thing. We have a great heritage, with past leaders who have shown us what courage and faith and hard work can do. We have the people and the natural resources to turn this dream into eventual reality, if we but work and continue to have courage and faith in our own abilities. You and I, in the all too few years remaining to any of us, can do no more than lead our state a little of the way, but if we do this, and hand over to those who come after us the courage and the faith which were handed to us, then, God willing, this vision of North Carolina will become her destiny.

Thank you and good night.

SALARY RAISES FOR TEACHERS AND OTHER STATE EMPLOYEES

MESSAGE TO THE GENERAL ASSEMBLY

April 9, 1957

[On March 4 the Governor had announced that he would take the lead in seeking to get a larger increase in pay for teachers and other state employees than had been proposed in the 1957-59 budget. Appearing before a joint session of the General Assembly on April 9, he reiterated his earlier promise, recommended increases of 15 per cent for teachers and 11 per cent for other state employees, and outlined a six-point plan to produce the needed revenue. His proposal to use $34,500,000 of non-recurring revenue to help underwrite the raises was an evidence of his great faith in one of the major provisions of his administrative program, namely, that the new allocation formula for corporation taxes would promote industrial development and thus provide the state with an expanding economy which in turn would produce more revenue. The General Assembly went along with the Governor's recommendations and effected the proposed increases in salaries for the teachers and other state employees.]

Mr. President Barnhardt, Mr. Speaker Doughton, and Members of the General Assembly:

I have asked to address you on the subject of salary raises for teachers and other state employees. In the weeks since my biennial message was given you we have seen a great and growing interest in our schools and more particularly in the salaries of school teachers. Some of the interest you have seen and felt is highly organized, but I believe there is more sincere and real, widespread interest than we have had in many years.

There has not been a clear understanding as to how I feel and many of you feel about schools and teachers' salaries. Some people have indicated that we wanted to unload the state's present burden on to the local school units. That is not true! Let me quote a statement of policy I made at Wilmington, North Carolina, on January 26, 1957:

> May I explain briefly our point of view on public schools because there has been some misunderstanding as to my attitude and program. I am for public schools and always have been. I have supported every bond issue and tax supplement, state and local (my community), for thirty-five years. I have taught; my sister has taught for twenty-five years;

> my wife was a teacher. I do not think our good teachers are paid enough or that we take care of our best students. I want the state to continue to support at a state level nine months and twelve grades (which costs the state over $100,000,000 a year). I want the state to take care of increased school population and also to raise salaries at a state level. I do not think the state can ever pay more than a good minimum, and if we are to enrich our curriculum and get the best teachers, we should, if we can do it, pay something at the local level.

Let me briefly give you a further explanation. In March, 1956, when I made a talk to the teachers state convention in Asheville, I raised the question of local participation in teachers' salaries, as I was sincerely interested at that time, over a year ago, in their getting raises. I indicated as an example that the legislature might be asked to grant a 10 per cent salary raise and offer another 5 per cent to match still another 5 per cent from local units. I saw North Carolina losing ground in teachers' salaries and wanted to see us do something. We had slipped in five years from twenty-ninth to thirty-eighth place. There was no particular interest shown by teachers or school leaders in my Asheville statement, so in a talk to the 176 county and city superintendents at Durham in December, 1956, I said:

> I realize that I do not have your support entirely in this idea of local support and I think it is probably expecting too much to have the support of the General Assembly for the so-called matching formula which I proposed for teachers' salaries.
>
> What I propose to you tonight and for the first time, is that we have a state citizens committee for better schools to make a study of our school needs with particular reference to their financing and to the responsibility of all of us at local levels as well as state levels. . . . I am hopeful that this committee will bring to professional educators, to the state government, to the public at large, and to the 1959 General Assembly, what our problems are, what our needs are, and how they would suggest we go about meeting these needs; I hope this idea meets with your approval.

I later appointed a committee of citizens, headed by Mr. Holt McPherson of High Point, who, along with about thirty other members from all over the state, plus an advisory committee of educators, are meeting regularly and working hard to organize grass roots sentiment for study and action on the part of laymen and citizens with regard to the future of our schools.

I hope this General Assembly will authorize a study commission to look at the school support at all levels and determine what each county can afford to pay for all its school costs, building, operations, and teachers' salaries.

We cannot and should not try at this time to detail a long-range plan and program, but I would like to give you a broad idea of what we have in mind.

Contrary to an idea held by some legislators, some county commissioners, and some civic and educational leaders, that our plan is to unload the state's burden on the counties and cities, I would like to say that our thinking is almost the opposite. Some counties are probably paying more now than they can afford. The present burden of providing school buildings was placed on local units without any regard whatever for their ability to pay. I would like to see each county's ability to pay checked by proper indices and the contribution required of each county, considering total school costs, including buildings, be handled accordingly. These suggested indices would include such things as dollar value of retail trade, auto registration, per capita income, and other factors.

The total costs of buildings, operating expenses, and teachers' salaries could be allocated between the state and the 100 counties based on each county's ability. The state would put up so many millions of dollars which would be given to counties, by formula prescribed by law. This is being done successfully by most of the states, and I have recently checked two of our neighboring states who operate under this system.

A good minimum program under this system would then be assured for all children and any school district which wished to supplement salaries or enrich its school program in other ways would be allowed to do so, just as now. The schools and teachers would be brought closer to the people; they would be greatly improved and our children would receive a better education; and teachers' salaries should greatly improve. I strongly urge that a study commission, to look at these problems and report to the 1959 General Assembly, be authorized by you.

But, let us forget for the moment any long-range plans on public schools, except to assure you as representatives of all our 100 counties that we do not propose that the state unload anything on the counties. We want each county to do its best, based on its ability, and I thoroughly agree that the richer counties must help the poorer ones.

Now, what can we do during this General Assembly for teachers and other state employees?

I said on March 4, about one month ago:

> I feel that during this session of the General Assembly we will have to recognize the short-term necessity of raising teacher and state employees' pay beyond the point recommended by the Advisory Budget Commission and myself, as we viewed the budget from the over-all point of view. Just how we will do this and where the money is to come from and what subsequent adjustments will have to be made is not clear at this time. However, I will gladly take the lead in helping solve the problem, and I feel sure that the members of the Advisory Budget Commission will join me in this.

The time has now arrived when I would like to recommend to you just where I propose that the money should come from and the adjustments which I believe can be made. But before mentioning specific details I would like to discuss briefly the much-talked about surplus of $60,000,000.

There has been a great deal of loose talk which could, if believed, lead one to the conclusion that, in our original recommendations to you, the Advisory Budget Commission and I did not propose to use this surplus, and that all the General Assembly would have to do to provide all the pay raises everybody wanted would be to make use of this surplus. As all of you know, of course, this sort of talk is misleading and confusing. Our original recommendation was that $42,500,000 of the surplus be used for capital improvements, The specific projects recommended were listed in the budget. We also recommended at the same time that the remaining $17,500,000 be used as part of the $33,000,000 recommended at that time for General Fund salary raises for teachers and other employees. The $42,500,000 for buildings and the $17,500,00 as part of the cost of raises together disposed of the entire $60,000,000 surplus. Thus, there was nothing left to increase salaries further so far as the surplus was concerned.

Some of you are probably thinking at this point, that if all the surplus is disposed of and all the money expected from revenue estimates is also disposed of, how are we going to get more money for additional raises without adding new taxes? One of a governor's disadvantages in making spending recommendations is that when he makes a proposal to spend money he must include recommendations as to how to get the money. I, therefore, recommend:

1. First, that $10,000,000 be taken from the amounts previously recommended for capital improvements.	$10,000,000
2. Second, that $4,289,000 be taken from the Highway Fund and used during the transition period of the next biennium for the support of the independent Prison Department. This will, of course, free an equal amount previously recommended from the General Fund for this purpose.	4,289,000
3. Third, that you use an additional $1,000,000, which, we are advised, can be expected from nontax sources, such as interest from investments, etc., during the next biennium on account of higher interest rates.	1,000,000
4. Fourth, that $2,811,000 be taken from the proposed revolving fund for capital improvements.	2,811,000
5. Fifth, that the estimated size of the credit balance available at the end of this fiscal year be raised by $4,400,000. This is justifiably based on increased interest earned from investments and current revenue receipts.	4,400,000
6. And, finally, that an additional $2,500,000 be appropriated from the Highway Fund to raise the salaries of highway employees.	2,500,000
Total	$25,000,000

Altogether, this gives a grand total of $25,000,000 over and above all previous recommendations, which is sufficient when added to previous recommendations, to provide salary increases of 11 per cent for state employees generally and 15 per cent for teachers. Also, it will take care of previously omitted retirement costs and leave approximately $1,750,000 which can be used for other appropriations or contingencies.

I would also like to suggest that in order to provide for the capital improvements, which could otherwise be lost by the proposed reduction in appropriations originally recommended for that purpose, you authorize a bond issue up to $10,000,000 which can be voted by this General Assembly. This money should be set up for specific capital expenditures which have the highest priority.

Along with the recommendations made, I would like to remind you of some perhaps unpleasant, but nevertheless, real and highly important facts and figures in connection with the proposed expenditures and the state's fiscal affairs.

It now takes about $4,500,000 for each 1 per cent raise for the state's 75,000 employees, broken down as follows: for teachers $2,500,000 and for other employees $2,000,000, including $682,000 for highway employees. Thus, an 11 per cent raise for state employees generally will cost during the next biennium $22,000,000, and the 15 per cent raise for teachers will cost $37,500,000, or a total additional salary cost of around $58,000,000. Added to the actual salary increases will be an additional $7,173,873 in regular salary increases by way of annual increments for employees and $3,872,808 additional retirement benefits to be contributed by the state. A detailed breakdown of specific amounts involved in granting the recommended pay raises is as follows:

Academic teachers and supervisors salary raise (15 per cent)	$31,460,927
Vocational teachers and principals and superintendents increase to 11 per cent, (1 per cent above increase requested by the State Board of Education)	3,229,464
Teachers increment pay	2,400,000
Teachers retirement pay	2,542,801
Total	$39,633,192
"Other state employees" (including public school non-instructional personnel) salary raise (11 per cent)	23,398,847
Increment pay	4,773,873
Retirement pay	1,330,007
Total	$29,502,727
Grand Total (salaries, increments and retirement payments)	$69,135,919

I would, however, like to point out here that when we take into account the amounts provided for teacher salary increments for the next biennium and additional amounts required for retirement benefits, the amount now recommended for teacher salaries and retirement benefits is, for the coming biennium, approximately 17 per cent above what is provided for these purposes for the present biennium. The comparable percentage for "other state employees" is approximately 13.5 per cent!

Looking briefly at the over-all picture, we see that of the revised credit balance of $64,400,000 as of June 30, 1957, we are recommending that approximately $30,000,000 be used for capital improvements and that the remaining $34,500,000 be used as part of the $58,000,000 cost of providing salary raises. This $34,500,000 is non-recurring revenue, and for the 1959-61 biennium we feel that this amount will be replaced by new revenues from improved business conditions resulting in part from a revised allocation formula, which will make our taxing of industry more equitable and more competitive.

We are taking a calculated risk by using this $34,500,000 non-recurring revenue for current operating expenses during the biennium just ahead, but I am willing to join with you in taking the risk in order to provide these salary raises. I caution you, however, that to go any higher on these and other figures would be very risky and a course of action of which I could not willingly be a part.

For your information, the state will pay during the next biennium solely for salaries and retirement benefits a total of $547,000,000.

As for the method of distribution for salary increases, you are already aware that the distribution plan recommended by the State Board of Education calls for a lump sum amount to be distributed by the board in accordance with a schedule which is tied to the status of particular teacher groups and not "across the board." The State Board recommended a salary raise averaging 16 per cent for teachers, ranging from a high of 17.81 per cent to a low of 9.9 per cent. The board also recommended 10 per cent for other school employees. As already stated, we are recommending that you provide a sum of money which would make possible raises of 15 per cent for teachers and 11 per cent for others, instead of the 10 per cent recommended by the board. The board can, if it desires, raise the figure for teachers beyond the 15 per cent from funds which we recommend and still give the other employees the original 10 per cent raise the board has requested.

I would also like to recommend that vocational education teachers be given the salary differential which they have had in the past and that the board make a survey of the work of all vocational teachers and the vocational needs of the state and report to the 1959 General Assembly.

I approve wholeheartedly the pay raise plan recommended by the State Personnel Council for other employees. It is consistent with the well-established salary plan which has been in effect for several years, and under this plan approximately two-thirds of all state employees will get more money than they would under an across-the-board flat percentage plan. These two-thirds are the lower paid employees. In a general salary increase tied in with a rising cost of living, lower paid personnel ought to receive primary consideration. I also join the State Personnel Council in the recommendation that the proposed pay plan be written into law so that each employee may be assured of the plan's automatic application and not have to worry over whether he or she will get his or her raise. I am advised that under the Personnel Council's plan 98 per cent of all employees will receive raises, leaving about 2 per cent who are already being paid salaries considerably above their established pay range. To this last-mentioned group, I recommend that the Appropriations Committee give special consideration, taking into account the actual rise in the cost of living and consistent insofar as possible with the Personnel Council's suggested plan.

The General Assembly will, in its wisdom, finally decide what percentages and/or dollars will be used to give raises to teachers and other state employees. I must in all fairness and candor point out that a difference in amounts to teachers and "other employees" is justified by the record of actual payments to the two groups during the last four years. Figures given you in your Budget Report, page 14, show that teachers have received in the past four years, 1952-1956, in increment pay, 1.2 per cent total. On the other hand, "other employees" have received in the same period 5.6 per cent total, or a difference of 4.4 per cent in favor of "other state employees."

We feel sure that you will agree that we have tried to be fair to all state employees, and we believe that most employees and the public will so agree. The average teacher salary in North Carolina will be in excess of $400 per month, or $3,600 per school year of nine months, if these raises are granted. Added to this, of course, are retirement benefits provided by the state, amounting to 7.33 per cent additional or around $30 per month extra, or $270 per school year. State employees on the whole will, if these raises are granted, receive salaries which compare favorably with salaries received by persons performing similar jobs in private employment. You don't need to be reminded that all of us have obligations to the citizens who must pay these salaries as well as to the citizens who will receive them.

You are to be congratulated on your work done thus far. It seems to me you are well on your way to adding a shining chapter to the pages of our legislative history. Your conscience and the inner satisfaction of doing a good job for the state and in the state's interest will constitute your greatest reward.

I appreciate deeply your help and cooperation in the over-all program that has been recommended along various lines for the state, and hope that these new recommendations for larger salary raises for our 75,000 employees will receive your hearty approval.

PROCLAMATIONS

PROCLAMATIONS

[The following proclamations do not include all that were issued during the period covered by this volume. The seven here printed have been selected as illustrative of this phase of the work of the Governor's office during the years 1957-1958.]

NORTH CAROLINA CLEAN-UP WEEK

EXECUTIVE DEPARTMENT
RALEIGH

A PROCLAMATION BY THE GOVERNOR

October 15, 1957

Whereas, North Carolina is already a cleaner state, and a more attractive place in which to live, work, and play because of the growing unpopularity of the litterbug,

And whereas, a cleaner North Carolina proves our appreciation of our God-given natural beauty, and develops the respect of our youth for beauty and cleanliness,

And whereas, a cleaner North Carolina enhances our attraction for new industry and more tourists and benefits every citizen both in his pocketbook and in enjoyment of clean highways, cities, towns, parks, and all places used by the public,

And whereas, the cost of a cleaner North Carolina is astonishingly low if the thoughtless litterbug is made thoughtful of the consequence of carelessly strewing litter instead of carefully collecting it for proper disposal:

Now, therefore, be it resolved, that now is the time for litterbug extermination and to this end the week of November 2-9 is hereby designated as North Carolina Clean-Up Week, and that all citizens, young and old, individually and collectively, through their municipalities, schools, educational and religious groups, civic and social organizations with the continuing cooperation of the press, radio, and television and other means of communications are called upon to band together to banish the litter from our land and to help keep North Carolina clean now and forevermore.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of North Carolina to (Seal) be affixed this fourteenth day of October, nineteen hundred and fifty-seven.

Luther H. Hodges, *Governor.*

Edward L. Rankin, Jr., *Private Secretary.*

THANKSGIVING DAY

EXECUTIVE DEPARTMENT
RALEIGH

A PROCLAMATION BY THE GOVERNOR
September 28, 1957

Whereas, our Pilgrim Fathers held a Thanksgiving feast to celebrate their first harvest on a crisp, autumn day in 1621,

And whereas, they expressed their gratitude to God for sparing their lives that first winter in this wonderful new land of unlimited freedom and opportunities to which they had come to escape oppression and serfdom,

And whereas, we today, more than 300 years later, celebrate Thanksgiving Day as a national holiday and show our gratitude to God for another great harvest and other material blessings which will continue to give to our people the highest standard of living in the world,

And whereas, during this season many religious organizations are placing special emphasis upon a people-to-people sharing of American abundance as a means of evidencing gratitude to God for his many blessings to us as a nation, and thereby demonstrating the traditional friendship and compassion of Americans for those less fortunate than ourselves,

And whereas, as did our Pilgrim forefathers, we face many grave and perplexing problems in a world still torn with dissension and conflict; and, like them, we pray for calm and courageous leadership, for a keen understanding of people and events, for our faith in the fundamental democratic principles to be increased, for a fuller demonstration of our belief that we are a Christian nation, and for a oneness of purpose worthy of our great heritage as a free people:

Therefore, I, Luther H. Hodges, Governor of North Carolina, do hereby proclaim Thursday, November 28, a legal holiday in North Carolina and request that all the citizens of our state, with their families and friends, render hearty thanks to Almighty God for all His benefits. Many churches will hold appropriate Thanksgiving services.

(Seal) In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of North Carolina to be affixed. Done at the city of Raleigh this twenty-eighth day of November in the year of our Lord nineteen hundred and fifty-seven.

Luther H. Hodges, *Governor.*

Edward L. Rankin, Jr., *Private Secretary.*

VARIETY VACATIONLAND

EXECUTIVE DEPARTMENT
RALEIGH

A PROCLAMATION BY THE GOVERNOR
July 15, 1958

Whereas, North Carolina is blessed with such a choice of mountain, beach, and mid-state vacation attractions that it is known throughout the nation as Variety Vacationland,

And whereas, out-of-state residents visit our state in such great numbers that the travel business has become one of our major industries and is growing by leaps and bounds,

And whereas, this year and in recent years there have been striking additions to and steady improvement in our vacation accommodations and facilities all the way from coast to mountains and all are accessible by one of the nations finest highway systems, And whereas, these developments have been so rapid and so extensive that many North Carolinians have not yet taken opportunity to visit them:

Now, therefore, be it proclaimed that August, 1958, is See North Carolina Month and during it the Travel Council of North Carolina shall make available through all media of information facts about our state that will enable our citizens to know about and enjoy to the fullest extent their unequalled attractions in Variety Vacationland, not only in August but throughout the year.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of North Carolina to (Seal) be affixed this fifteenth day of July, nineteen hundred and fifty-eight.

Luther H. Hodges, *Governor.*

Edward L. Rankin, Jr., *Private Secretary.*

WRIT OF ELECTION

STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR

August 25, 1958

To the Honorable B. C. Trotter, Chairman of the State Board of Elections, to the said Board of Elections, and all officers and persons concerned, Greeting:

Whereas, the Honorable W. Kerr Scott, United States Senator from the state of North Carolina, has died, leaving a vacancy in said office, the said death having occurred more than thirty days before the next general state election:

Now, therefore, in compliance with the *General Statutes of North Carolina,* Section 163-102, I, Luther H. Hodges, Governor, hereby issue this writ of election, and order, require, and command that an election be held in the state of North Carolina, and in all the precincts thereof, on the fourth day of November, 1958, the same being the day of the general state election, and at the time and places and under the laws and regulations provided for such elections, wherein the qualified voters of the people of North Carolina may elect a United States Senator to fill the unexpired term of the said Honorable W. Kerr Scott.

To that end you, and all officers and persons charged with any duty in the premises, are required to make such provision and take such measures as may be directed by law.

Witness my hand and the Great Seal of the State of
(Seal) North Carolina, this August the twenty-fifth, in the year
of our Lord, one thousand nine hundred and fifty-eight.

Luther H. Hodges, *Governor.*

(ATTEST:)
Thad Eure, *Secretary of State.*

HURRICANE HELENE

EXECUTIVE DEPARTMENT
RALEIGH

A PROCLAMATION BY THE GOVERNOR

September 29, 1958

Whereas, on Saturday, September 27, 1958, the terrific and devastating Hurricane Helene, with winds up to one hundred and twenty-five miles an hour, struck the southeastern section of our state, swept across our coastal area, and reached inland at many points,

And whereas, this devastating storm caused heavy damage and destruction to public and private properties and resulted in a disaster of major consequence,

And whereas, the ocean tides ran seven to ten feet above the normal high tides and together with torrential rains caused great damage by the flooding of crops and farm lands, homes, streets, and highways,

And whereas, state and local governments, including the Civil Defense organizations and the American Red Cross, have been actively engaged in rendering assistance and alleviating damage conditions as much as possible, And whereas, state and local governments are making available all resources through services, materials, and funds which are not previously committeed to the momentous rehabilitation requirements,

And whereas, one of the serious areas of damage is in the state highway system involving both primary federal aid highways and state secondary roads and highways, with the result that emergency relief funds are badly needed for the repair and rehabilitation of said highway systems under the provisions of Section 13-A, *United States Code Annotated*:

Now, therefore, I, Luther H. Hodges, Governor of North Carolina, do hereby declare a state of emergency to exist in the southeastern section of our state and the remainder of our coastal areas so affected by this terrific storm; and do further request from the President of the United States a declaration describing this area as a major disaster area under authority of Public Law 875 as amended, so that federal assistance may be made available to help in the rehabilitation of this area.

(Seal) In witness thereof, I have hereunto set my hand and caused the Great Seal of the State of North Carolina to be affixed hereto. Done at the city of Raleigh, this the twenty-ninth day of September in the year of our Lord, nineteen hundred and fifty-eight.

Luther H. Hodges, *Governor.*

Edward L. Rankin, Jr., *Private Secretary.*

ANDREW JOHNSON DAY

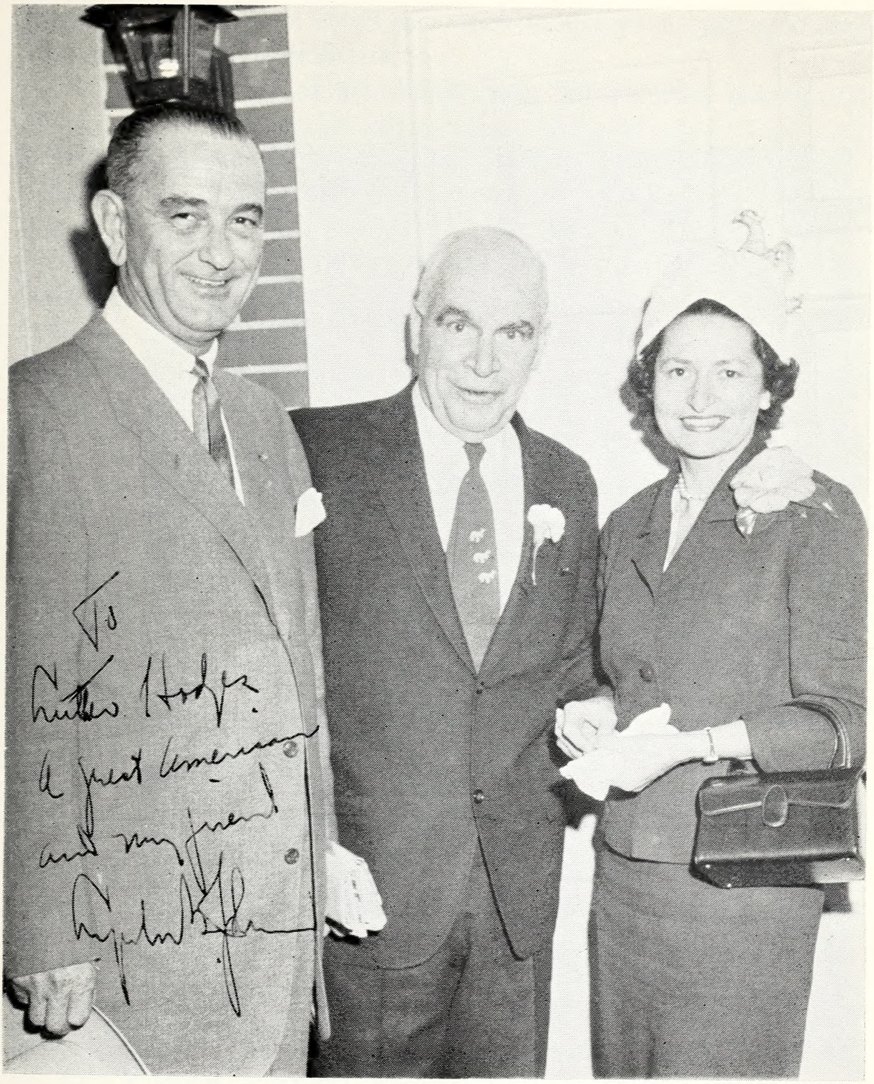
EXECUTIVE DEPARTMENT
RALEIGH

A PROCLAMATION BY THE GOVERNOR

October 13, 1958

Whereas, the year 1958 marks the one hundred and fiftieth anniversary of the birth in the city of Raleigh of Andrew Johnson, seventeenth President of the United States,

And whereas, Andrew Johnson, long misunderstood and vilified by his political enemies, has now come to be recognized as one


To
Luther Hodges:
A great American
and my friend!

Wide World Photos

Senator Lyndon B. Johnson, in Raleigh for a Jefferson-Jackson Day Dinner address, with Governor Hodges and Mrs. Johnson, March 16, 1957.

Reception at the North Carolina Education Association headquarters in Raleigh, April 4, 1957, commemorating the 100th anniversary of the organized teaching profession in North Carolina. *Left to right*: Bert Ishee (*back to camera*), former president of the association; Mrs. Ishee; Mrs. Hodges; Governor Hodges; Mrs. E. N. Meekins, former president of the association.

of the most courageous and able of all our Presidents, serving during a period of great stress and crisis in the years just following the War Between the States,

And whereas, plans are being made to celebrate throughout North Carolina a special day in honor and memory of this great President:

Now, therefore, I, Luther H. Hodges, by virtue of the power invested in me, as Governor of North Carolina, do hereby designate October 31, 1958, as Andrew Johnson Day and urge all our citizens, and especially the teachers and students in our public schools, to observe this day with appropriate ceremonies in commemoration of this North Carolinian who rose to the highest position the nation has to offer.

(Seal) In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of North Carolnia to be affixed this thirteenth day of October, nineteen hundred and fifty-eight.

Luther H. Hodges, *Governor.*

Edward L. Rankin, Jr., *Private Secretary.*

CIVIL DEFENSE DAY

EXECUTIVE DEPARTMENT
RALEIGH

A PROCLAMATION BY THE GOVERNOR
December 3, 1958

Whereas, the establishment of an effective civil defense is of prime importance to the citizens of North Carolina as it is to all Americans,

And whereas, a strong non-military defense is a deterrent to war because no aggressor is likely to attack a nation it cannot defeat,

And whereas, a strong civil defense offers our best hope for survival and recovery in the event of an attack,

And whereas, the total defense we must achieve can be obtained only by action at all levels of government in order to establish, direct, and execute measures for survival and recovery, And whereas, the President of the United States, recognizing the importance of individual preparedness by every American, has designated Sunday, December 7, 1958, as Civil Defense Day:

Now, therefore, I, Luther H. Hodges, Governor of the State of North Carolina, do hereby proclaim the aforementioned day as Civil Defense Day In North Carolina and recommend to my fellow citizens appropriate observance of this day set aside to symbolize the need for defense preparedness.

(Seal) In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of North Carolina to be affixed. Done at the city of Raleigh this the third day of December in the year of our Lord nineteen hundred and fifty-eight.

Luther H. Hodges, *Governor.*

Edward L. Rankin, Jr., *Private Secretary.*

PUBLIC ADDRESSES

PUBLIC ADDRESSES

[During the first two years of his elective term, 1957-1958, Governor Hodges made 203 speeches of which more or less complete typescript copies have been preserved, plus about forty others which he is known to have made extemporaneously or from rough notes. Forty-five of these speeches, considered to be among the more important and less repetitious, are printed in full in this volume; 102 are described in brief summaries appearing on pages 475-538; and the remainder are listed by date, title, and place of delivery on pages 541-547.]

ADDRESS BEFORE ANNUAL CHAMBER OF COMMERCE MEETING

WILMINGTON

January 25, 1957

[In this address, as in several others which he delivered during the early months of 1957, Governor Hodges spoke strongly in favor of the report of the Tax Study Commission, especially that portion which advocated a new allocation formula for taxing corporations doing business both within and without the state of North Carolina. He also used the occasion to emphasize his support of a reorganization of the State Highway Commission and separation of the prison system from the Highway Department, both of which, along with the Tax Study Commission's program, would be up for consideration by the forthcoming General Assembly. With more particular reference to the area in which he was speaking, he outlined the necessity for rehabilitation, stabilization, and protection of the Outer Banks in order to minimize damage to the mainland caused by flooding from the sounds during hurricanes. This topic was one on which he had spoken in Wilmington on two previous occasions, January 22, 1955, and January 28, 1956, and was of continuing importance because of the prevalence of hurricanes along the North Carolina coast. On the next night, January 26, 1957, the Governor spoke at the annual Ladies' Night program of the Lions Clubs in the Wilmington area, thus recalling an occasion one year earlier when he had been made an honorary Lion by the Wilmington club.]

Thank you for this opportunity to share in your annual Chamber of Commerce dinner tonight. I commend the leadership of your chamber for its progress during the past year and the increasing interest and vigor of the approach here in Wilmington toward a stronger, better, and more diversified economy. Keep up the good work! Get everybody in the community in the act and make your program of development on a sound, solid basis with careful planning, understanding, cooperation, and teamwork. There is no place for division in your efforts. It is a time of fierce competition among cities and states for the kind and type of economic productivity which assures jobs, payrolls, and an opportunity for prosperity for all concerned.

This week the Business Development Corporation, the private lending organization which I was proud to help originate, made its annual report to its stockholders. Since this corporation was designed as a lender of long-term venture capital, we would not have been surprised to find it operating at a deficit for the first year or two. We were pleased, however, to learn that loans made to diversified industries, processing plants, and other projects across the state have already brought a small profit to the stockholders. The Business Development Corporation is one effort on our part to provide badly needed capital to assist the establishment or expansion of local industries which will serve local people and provide markets for our labor and our raw materials. In this connection, an eastern North Carolina newspaper recently pointed out that the South remains "a deficit capital area, dependent upon the capital resources of our northern neighbors." The editorial cited a Georgia banker's statement that finance charges paid out on northern capital in the state of Georgia alone annually exceed $75,000,000, or more than the value of the state's annual cotton crop. The editor had no quarrel with northern industry moving into the South and only wished for more of it. However, he did make the following comment:

> How can the South amass more available capital? The first and most obvious answer is through greater savings. Savings begin with each individual. If all southerners save, then the banks have greater deposits on which to make loans so needed in the creation of new industry.
>
> But, money salted away in the bank is 'frozen' and needs productive outlets. Southern financiers, businessmen, and industrialists must work more closely together in a spirit of daring and imagination if the South is to become self-sufficient economically.
>
> We have often wondered what luck Henry Ford would have had with his new car if he had lived in eastern Carolina and sought backing here instead of in Detroit. Every age and every section has its quota of potential Henry Fords who may unlock undreamed-of wealth with a little financial backing.

> The great pity is that in the South we educate our Henry Fords and export them to the greener pastures of the North. And those who do stay behind are not always encouraged as they should be.

We are making progress in North Carolina in our banking and other loan facilities. Recently our state sold $15,000,000 of notes to one group of North Carolina banks with the northern banks looking on.

I am pleased to see so many members of the General Assembly present. They represent the great counties of southeastern North Carolina, and I look forward to working with them during the coming session of the 1957 General Assembly. May I say here that we in North Carolina have been blessed with outstanding men who have patriotically given their services to our legislative bodies. Great legislative leadership has come from eastern North Carolina where membership in the General Assembly is very highly regarded and where there is a closeness to Raleigh and the state government which sometimes is not found elsewhere. All these facts are understandable, and I am merely making these observations as a means of paying tribute to the contributions made by the legislative leaders from this part of North Carolina.

One of the major legislative packages which the members of the General Assembly will face during the coming session involves the volatile subject of taxation. You recall that the 1955 General Assembly provided for a Tax Study Commission to examine our entire revenue structure in light of the state's economy and to bring in recommendations for removing inequities in our tax laws and for improving our possibilities of attracting industrial expansion. All of us know that with increased farm mechanization and the reduced tobacco allotments, there are going to be fewer and fewer jobs for farm people. This is especially significant here in eastern North Carolina and somehow or another we have got to provide jobs for people who are being forced out of agriculture or who are finding their margins of profit so slim that a continued dependence on agricultural income is highly uncertain. If we are going to launch a direct and effective attack upon the problem of low per capita income in North Carolina, we must do something in a constructive and far-reaching way to provide employment and economic opportunity for our people, especially our rural folks.

One of the most important recommendations in the Tax Study Report has to do with a change in the allocation formula by which North Carolina taxes the income of domestic and foreign corporations doing business in more than one state. In the past and in the present, the formula presents a discouraging and inequitable picture to existing industries and to prospecting industries. There is no doubt that it is a definite deterrent to further industrial development in our state. We must all remember that in this day and age, when business is free to move and there is actually great movement between various parts of the country, any state which ventures to present an unfair or unrealistic tax structure to industry is simply cutting off its nose to spite its face.

There is more involved here than temporary losses of revenue which we hope to recover soon by additional industrial and business growth. Unless we are able to improve our industrial potential, we shall find ourselves with fewer and fewer taxpayers who are financially able to support our great programs of education, welfare, and other state agencies. The only hope we have for securing the money which is necessary to continue adequate support of our ever-growing state services is to provide *more* taxpayers to help bear the burden. The allocation recommendation would simply be an effort to bring our tax requirements in line with the kind of formula which is used in practically all other states levying corporate income taxes. It is not a give-away proposal, but is simply one which would make these taxes fairer to all concerned.

It is my hope that all citizens in North Carolina will look at this tax program, as it has been recommended by the commission, with a broad view and toward the long-range good of the state as a whole. There may be instances in which some individual groups will find their tax burden raised slightly, but I believe if these people will study the whole program carefully, they will find in it a source for great optimism, even though their own particular tax burden may be temporarily raised. In considering this program, all citizens affected thereby should also keep in mind that if it is not passed, there may be some other tax program passed in the near future, and those individuals who are affected slightly by this one may be affected a good deal more by proposals passed in the future. Let us all stand together looking at the state's over-all good and secure the passage of this program. In my judgment, nothing more important could be done for the good of our state at this time. It is my understanding that many of your group favor the program, and I am happy to hear this. I have similar evidences from other groups, whose taxes may be slightly increased. In the long run, greater volume and profits, as well as more jobs, will be the result of reform. Over 100,000 smaller taxpayers of the state will benefit from the revised deduction allowances in their income taxes.

Two other major reports which will be available for action by the General Assembly involve the proposed reorganization of the Highway Commission and the separation of the Prison Department from the Highway Commission. The study commission created by the 1955 General Assembly has reported and made recommendations for substantial changes in the Highway Commission looking forward, the study commission says, to building our primary highways on the basis of state-wide need and bringing our secondary road program closer to the people themselves by encouraging participation in secondary road matters by the county commissioners of each county. Naturally, final decision on all matters must remain with the Highway Department in order to provide uniformity of our secondary system. The recommendations of the study commission make a good deal of sense and would result in a better organized State Highway Commission capable of meeting the great highway demands of the future. As I have said many times, I make these suggestions without any criticism of the present organization or the men who have contributed so much to the highway progress of North Carolina. This is an objective effort on my part and the members of the study commission to do a better job with this great public agency.

Wednesday I met with a committee from the State Association of County Commissioners who gave their approval to the highway reorganization plan.

Separation of the Prison Department has been studied and considered for a number of years. Governor Umstead gave it careful consideration for the 1953 General Assembly and concluded that enough data was not available to justify the action at that time. The 1955 General Assembly established a committee to study the problem, composed of the chairman of the Highway Commission, the chairman of the Prison Advisory Council and the director of prisons. This committee has reported to the Governor and has reported that separation of the prison system from the Highway Commission is feasible and can, if the General Assembly so directs, take place by July 1, 1957. Of course, there are those who are fearful of such a move on the ground that the expense of the prison system would fall on the General Fund, rather than coming out of highway money. There are also those who fear the possibility that the prisoners, if not under the Highway Commission, will not be kept engaged in useful work. We should all realize that whether the General Fund or the Highway Fund supports the prisons, it is still the taxpayers' dollar that is to be used. Furthermore, it is probable that the highway projects which now have to be left undone by the Highway Commission, as a result of having to use highway revenue for prison support, are secondary road projects. Actually, when there is not enough money to do everything (and there is never enough money to do everything) those things which cause the least concern to the smallest number of people are left undone. The present recommendations on employment of prisoners calls for legislation requiring the Highway Commission to hire at a set figure as many prisoners for road work as could be profitably used. It is proposed that other lines of employment for prisoners, such as reforestation and forest care projects and more diversified prison industries, be utilized to keep our prisoners employed and to help train them in skills which will serve a rehabilitation purpose.

My visit here tonight recalls a speech I made in this same room on January 22, 1955. It was my sad duty to discuss the devastating damages suffered as a result of Hurricane Hazel. I also reported briefly on what state and federal agencies or organizations accomplished in efforts to bring relief and rehabilitation to this stricken area. Since that time other great hurricanes and serious storms have hit southeastern North Carolina and the coast of North Carolina. As you know, the damages have run into the hundreds of millions and my office has been busily engaged in following up on the scope and progress of rehabilitation. Time will not permit even a brief discussion of all the efforts which have been made to keep in touch and assist in the multitude of problems which have arisen as a result of these disasters. As you know, we authorized a complete study following the four big hurricanes and from this study by experts came a state program of hurricane rehabilitation. Colonel Harry E. Brown, former FCDA executive, has left federal service and is now serving as director of hurricane rehabilitation for North Carolina. We are pleased to have him in this key position, and I urge all of you who need his advice and council to call on him at any time. He is here tonight! His work for the state has already included such great and important activities as studies and plans on beach stabilization, flooding, drainage, mosquito control, flood insurance, as well as invaluable liaison work with all federal agencies having a responsibility in this area.

While we all recognize that there is nothing the government or anyone else can do to *prevent* hurricane damage, there are many things that government and private individuals can do to *minimize* the damage caused by these great storms. The Congress, by enactment of various federal laws, recognizes the necessity of protecting the shores of the United States to prevent loss of life, damage to property, and to promote and encourage the healthful recreation of the people. These laws provide for grants by the federal government for such things as flood prevention work, drainage, watershed protection, and protection of the shores. In some cases the state or local community must provide funds on a matching basis while in others the federal government will provide practically all the funds required for construction.

At the present time, the appropriate departments of the federal government are considering several projects of this nature. As an example, the Corps of Engineers has prepared plans and specifications for flood prevention projects in the Fairfield area. This project, at an estimated cost of somewhere between $200,000 and $230,000, will include the construction of a large pumping plant, dikes, flap gates, and drainage ditches. Funds are available and construction will start as soon as certain legal procedures are completed by the local community.

We all recognize that one of the most important problems facing us in this area is the need to provide methods to minimize damage to the mainland caused by flooding from the sounds. This includes the rehabilitation, stabilization, and protection of the Outer Banks. The coastal areas of North Carolina are seriously damaged yearly by severe storm winds and tides. The damage to the mainland caused by flooding from the sounds and the destruction of the beaches and property on the Outer Banks by storms from the ocean is extensive.

When a hurricane strikes in North Carolina, all of the people of our state are aware of the great damage caused to property in the path of the hurricane. On the other hand, very few people, except those directly affected, know the damage caused yearly by flooding from the sounds as a result of severe storms. Since 1948, twenty-one storms, with an average wind velocity in excess of fifty miles per hour caused extensive property loss in our coastal area. Also, these storms caused considerable recession of the mean high-water shore line along the Outer Banks.

Over the years the barrier reef, our Outer Banks, some 320 miles long, has offered protection to the mainland. However, a study of available records indicates that the banks are gradually receding, a result in part of the action of the winds and ocean currents and of the destruction of the dunes and vegetation by man. The banks will eventually disappear, leaving the mainland defenseless against the destruction caused by wind and water, unless remedial action is undertaken. This is evidenced by a report from the chief of engineers, Corps of Engineers, transmitted to the Secretary of the Army on December 5, 1947. That report, among other conclusions, stated that, "The ocean shore line of North Carolina is, in general, retreating slowly and will continue to retreat," and that "Protection of the entire length of the study area is unwarranted at this time."

The ideal solution, of course, would be to build up the Outer Banks so that storm tides and hurricane floods physically could not get across the banks and into the sounds. These protective works would include the construction of dunes, groins, seawalls, replacement of sand, planting, stabilization of inlets, and other measures as indicated by an engineering study. This procedure would require millions of dollars and might be difficult to justify economically.

However, we must also face the alternative that unless every effort is made to rehabilitate, stabilize, and protect the Outer Banks, huge expenditures will be required in the future to provide protective work *for the mainland* after the Outer Banks are gone.

Major General Charles G. Holle, president of the Beach Erosion Board, will visit our state on February 18. During this visit General Holle will inspect the Outer Banks and discuss our problems. Incidentally, I was happy to learn that the chief of engineers, Major General Emerson C. Itschner, visited Wilmington last week and I am sorry my absence from the state prevented my seeing him. I appreciate his understanding of our problems and his offer of assistance.

Pending completion of the proposed study, there are many things the state, officials of local political subdivisions, and individual property owners can do to improve conditions along the shores of the mainland and the Outer Banks. These include the construction of sand fences, shore protective works, planting, maintenance of dunes, and many other measures that are not too expensive. I am glad to report that many protective projects have been accomplished during the past year. Let's look briefly at some of them:

1. Rehabilitation committees have been organized in various coastal areas and are actively engaged in rehabilitation programs. This is a step in the right direction as the local people are primarily interested, and in general, understand the problems to be solved.

2. Individuals and groups of individuals are constructing protective works along the shores of the mainland and Outer Banks. As an example, several property owners at Atlantic Beach constructed a sea wall at a cost of some $350,000. There are innumerable instances of protective works constructed by individual property owners.

3. Carolina Beach, through public participation, secured enough funds to begin the construction of a groin field.

4. The town of Kure Beach constructed needed shore protective works.

5. The National Park Service provided $110,000 for the construction of sand fences and planting in areas under its control.

6. Approximately 4,000 copies of the booklet, "Handbook for Erosion Control," have been distributed to the owners of shore property.

These are only a few instances which show that the local people and others appreciate the problem and are taking corrective action. Much remains to be done.

Another related problem—the stabilization of our inlets—is receiving the attention of the state, local people, and the Corps of Engineers. Because of the continuous erosion and accretion along the Outer Banks, the inlets have a tendency to move or to migrate. This migration results in shoaling within and at the entrance of the inlets and also causes erosion of or accretion to adjacent shore lines, thereby presenting a danger to fishing craft by rendering the channels unstable. This migration must be stopped and the inlets stabilized. Many of you recall that recently the district engineer, Corps of Engineers, Colonel Henry C. Rowland, conducted a public hearing to discuss the desirability of stabilizing Ocracoke Inlet. We hope for a favorable decision. The matter of the Long Beach Inlet has been with us since Hurricane Hazel, and I shall not attempt to review the many efforts and plans which have been considered in attempting to get this inlet closed and the beach re-joined. However, the latest report on the situation is that the Federal Civil Defense Administration has agreed to make available to the Army Corps of Engineers the funds that it approved sometime ago for the closure of this inlet. It is our hope that the Army Corps of Engineers, with its know-how and equipment, will be able to close this inlet permanently in the near future.

So much faces us in this area and in the state as a whole that we could get discouraged. That would be a calamity. Let us, on the other hand, seize this situation as a great opportunity to build greater and more wisely. God has given us much here in our people, our climate, our waters, our great ocean, our localities and beauty, and our recreational advantages.

You can't pay taxes or furnish community and states services without money, and that comes from business, commerce, and industry. Your revitalized and active Chamber of Commerce, with the cooperation of the citizens of this area, can bring in new industries and start new ones locally. Your port is good; it will be made better. Your community college has made a good record, and I predict the General Assembly will authorize state support for institutions and for buildings both on a matching basis. Education, technical training, and your industrial expansion go hand-in-hand. I am bullish on your future!

May I express to all of you my continued interest in your problems and your plans and wish for you the very best.

REMARKS BEFORE THE SEVENTH ANNUAL MEETING OF THE TAR HEEL ELECTRIC MEMBERSHIP ASSOCIATION, INCORPORATED

RALEIGH

February 19, 1957

[This was the second time that Governor Hodges had spoken before the Tar Heel Electric Membership Association, the first having been at the association's annual banquet on March 16, 1955. In his remarks on the latter occasion he praised the association for its wise leadership and progressive growth and described rural electrification as "an exciting example of what can be accomplished through cooperative efforts, persistence, sound management, and a willingness to accept risk for the good of all." As was usual in his speeches during this period, he touched upon several matters that were currently before the General Assembly, notably tax revision and higher pay for teachers and other state employees, and as on numerous other occasions, expressed his hopes of finding more employment for North Carolinians. An additional feature of the meeting was the Governor's presentation of certificates to nineteen REA managers who had successfully completed three annual sessions of five days each in the Electric Membership Corporation's management institute program.]

I appreciate this opportunity to attend your annual meeting and speak to you briefly on a few subjects of mutual interest. I am glad to see so many rural leaders of North Carolina present here in Raleigh at this time. As you know, we are in the early weeks of the 1957 General Assembly and there are great problems and great decisions ahead. I hope while you are here you will have a chance to visit either the House or the Senate and to see your legislature in action. We in North Carolina are fortunate to have the high calibre of men and women who are representing our people in the legislative branch of government. They have great responsibilities and deserve your understanding and your support in carrying on the work of the General Assembly and state government. As you have perhaps noted from the newspapers, the General Assembly is off to an early start this year as far as organization is concerned. Committees have been appointed and you can expect the legislature to move ahead steadily on the important business at hand.

In passing, I should like to comment on certain issues which are receiving a great deal of attention at this time. This has to do with salary proposals for our 75,000 state employees, including 30,000 public school teachers.

As you know, the Advisory Budget Commission and the Governor, after months of study and deliberation, have made their recommendations to the General Assembly on the total budget requirements for the next two years. The total budget is more than $1,000,000,000. One of the major parts of the state's spending involves our public school budget of around $300,000,000. We all recognize the fact that there is great need for better salary schedules, more class rooms and buildings, and other requirements of a modern public school system. I believe in what we have accomplished in North Carolina through public education and want to see the public schools continue to move forward. At the same time, those of us who had the responsibility to make the budget report had to look squarely at the total requirements of state government. We must maintain our entire governmental program on some balanced basis if we are to provide the services needed by our people.

With reference to teacher pay, I pointed out in a press conference yesterday that North Carolina, at the state level, is now paying 95.5 per cent of all salaries for public school teachers in North Carolina. This is in comparison to 46 per cent in Virginia, 67 per cent in Tennessee, and 81 per cent in South Carolina. I sincerely believe that our public school teachers deserve and need larger salaries. However, it is going to take more than the state alone to do the job. We must realize that the state has never paid more than a good minimum for a nine months, twelve grade program. If we are to enrich our curriculum and provide the type of program which our state and children must have, and pay really adequate salaries, we should expect to contribute substantially at the local level with proper regard to the local ability to pay. This has been the experience in most of the states across the nation, and we in North Carolina, with no great wealth, can hardly afford

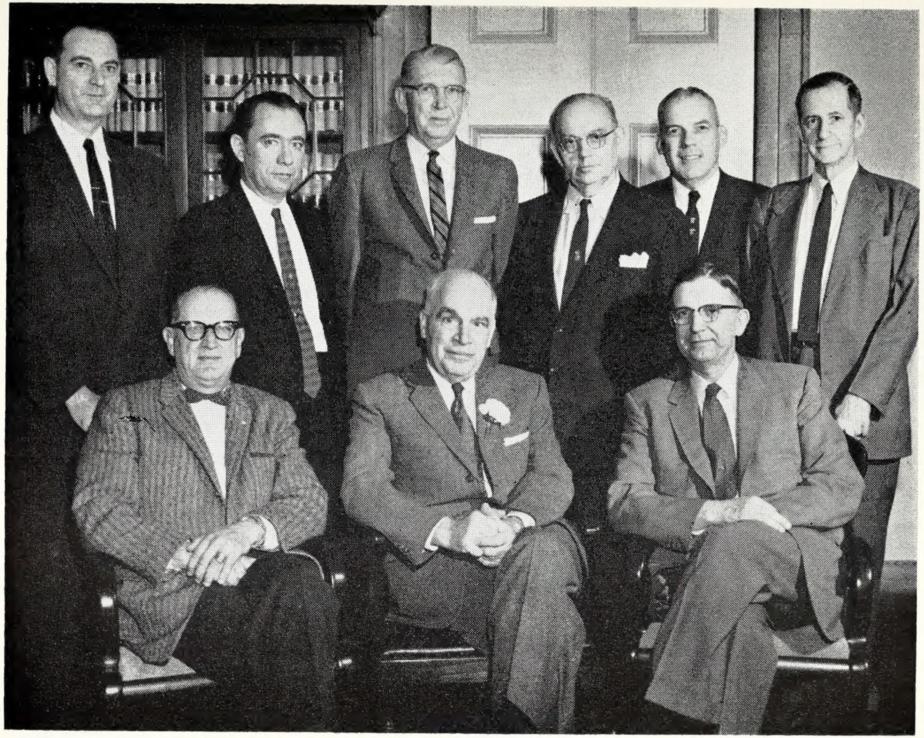


Photo by Bill Gulley

The Governor and the Council of State, April 9, 1957. Standing *(left to right)*: Frank Crane, commissioner of labor; Charles F. Gold, commissioner of insurance; Charles F. Carroll, superintendent of public instruction; Edwin M. Gill, state treasurer; Lynton Y. Ballentine, commissioner of agriculture; George B. Patton, attorney general. Seated *(left to right)*: Thad Eure, secretary of state; Governor Hodges; Henry L. Bridges, state auditor.

Photo by Bill Gulley

Governor Hodges with a group of South American women visitors in the governor's office, April 23, 1957.

to ignore this experience. What I am talking about is a long-range approach to a fundamental problem of public school support. I believe this approach is an honest appraisal of what is before us and is essential if we are to arrest a dangerous trend toward our salaries getting out of line with other states. We all realize, of course, that the entire matter is now in the hands of the General Assembly where all of the facts of the budget's requirements will be thoroughly reviewed and everyone with a viewpoint will be heard.

The state employees will receive raises and, although it is not recommended that every job classification receive the same percentage "across the board," the employees will be treated the same in their own job classification and will not be treated on an individual basis.

A final comment on these items. There has been some reaction against the General Assembly giving, in the first hour of its session, a 20 per cent salary raise to the Council of State whose members are elected constitutional officers. Under our state constitution these officers are prohibited from recovering any change in pay during their term of office, so if they were to be raised, it had to be done before they took their oath. Although these raises were not popularly received, especially since other employees would probably receive less, it was the fair thing to do since other raises can be considered at any time during the coming four years.

Further, it is fair when the record of comparative increases from 1940 to 1957 is considered.

Council of State	100 per cent	(including 1957 raise)
School teachers	160 per cent	(not including 1957 raise)
Other state employees	176 per cent	(not including 1957 raise)

I should like to say a word of tribute to the leadership of your association. You have a reputation for sound management and progressive growth. I like the positive note in your approaches to the problems confronting you and other North Carolinians. It is easy sometimes for an association of rural *or* urban people to line up immediately for things they are *against,* rather than to emphasize the positive and decide upon what they are *for.* In our growing state, with so many small farms, small communities, and small towns, there is not the sharp contrast of big cities and rural areas. We are all one people with a common heritage of independence, freedom, and a burning desire for improvement on all fronts. Whether we hail from the beaches of Dare County, the sandhills of Moore, the rolling countryside of Iredell, or the beautiful valleys of Cherokee, we should remain aware of our common heritage and our common objectives in life. Let us work together for a better, more prosperous, cleaner, and more beautiful North Carolina. Each one of us, regardless of where we live or what we do, can have a part in this. You can do as much through your association to stimulate your membership, and I challenge you to do this.

Rural electrification in North Carolina is an exciting example of what can be accomplished through cooperative efforts, persistence, sound management, and a willingness to accept risk for the good of all. In 1932, approximately 95 per cent of our farm homes were without electric power, and yet our state ranked high in the development of water power, and urban electrification was progressing satisfactorily. All of you know the dramatic story of the beginning of rural electrification as a federal program. In 1934 Governor Ehringhaus appointed a committee to study the problem of bringing electricity to unserved rural areas, and in 1936, under the provision of a legislative act, he appointed members of the North Carolina Rural Electrification Authority. Gwyn B. Price became chairman of this authority in 1941.

Since those early days, the progress in rural electrification has been astounding. We have 96.1 per cent of *our* farms electrified, as compared with 94.2 per cent of the nation's farms. There are more than 80,000 miles of rural electric distribution lines, more than a half million consumers, and more than 250,000 farms connected. As you know, the REA stimulated private utilities to expand their distribution systems into rural areas.

Someone has said that electric power is a universal symbol of economic progress and enlightenment. If this is true, then there has been a revolution in the standard of living for rural North Carolina, as electric power eliminated much of the drudgery of farm work. Our farm wives began to use electric power to pump water for the house, refrigerate foods, wash clothes, cook food, heat water, and operate a multitude of other electrical appliances such as radios, television, vacuum cleaners, et cetera. Our farmer was quick to use electric power to shell grain, operate brooders for chickens and livestock, dry grain and hay, provide cold storage for farm products, operate milking machines and other dairying activities, cut wood, and pump water for irrigation. One recent survey showed 400 applications of electricity on farms and in farm homes.

Sometime ago, Bill Crisp, your executive manager and general counsel, told me how much interest your association has shown in the development and expansion of new industries throughout the territory served by your cooperatives. I was surprised to learn that your cooperatives are now serving over 200 rural industries, employing around 5,000 workers with payrolls of over $10,000,000 annually. So you see that your association and the people you represent have quite a stake in the industrial progress of North Carolina. We all know that opportunities for making adequate incomes solely in agriculture are available for fewer and fewer people. The number of persons needed on our farms reduces every year. A recent report published by the Bureau of the Census tells us that unless there is a net migration from the farms, there are for the United States as a whole 135 rural males for every 100 needed for replacement in the 25-69 age groups. In North Carolina, the replacement ratio in this age group is 192 compared with the 135 for the nation. That is the highest in the United States except for South Carolina. As you perhaps know, it is in the coastal plain counties that such surpluses are highest.

As I have repeatedly pointed out, there is only one answer to the question of how to provide jobs for all our people—especially our rural population. We must develop more industry, both manufacturing and agricultural. We must create more industry locally financed, and we must bring in more industry from outside. We must encourage in every reasonable way the expansion of industry which is already here. How do we go about this?

Apparently many of your cooperatives already know the answers because you have attracted new industries and have encouraged the establishment of locally-owned and locally-operated industries. Industries are formed by people who seek economic opportunities, and they will tend to locate where the factors necessary for success appear to be greatest. Competition for new industry is extremely active because other people in other states and other sections of the United States are fully aware of the value of industrial payrolls and the economic opportunities offered by industrial growth. Unfortunately, our industrial growth has fallen behind the rate of growth in the other southeastern states, and behind the rate of growth in the nation as a whole. Thus, in spite of the fact that many new plants have recently begun operations here and many older plants have expanded, we are falling behind, relatively speaking. Tomorrow here in Raleigh there is a statewide meeting on industrial development sponsored by our Department of Conservation and Development.

One of the most serious roadblocks to future industrial development involves our tax structure. The Tax Study Commission which was appointed by the 1955 General Assembly to look into this problem came up with some factual and startling results. Above all, the Tax Study Commission made an honest effort to modernize our entire tax structure and to deal fairly with every economic group represented. I shall not attempt to go into detail on this report and recommendations except to say that there is a growing awareness of the vital nature of these recommendations and the general response has been excellent. Several groups of citizens representing particularly the economic interests whose tax bills will go up as a result of the adjustments have contacted me and expressed their approval of what we are trying to do. After careful study of the entire report, they said that the changes would definitely result in more business and industrial activity which would provide an over-all good for the state and would more than compensate for whatever temporary loss might be felt.

Naturally, there have been objections to the proposals here and there. Some have claimed that it is a "give away" program for big business. The state will continue our same tax rates for big and little businesses. Our corporate income tax rate is now 6 per cent, which is as high an effective rate as there is in the nation. It is not proposed that this rate be lowered. It is recommended, however, that we make our system of taxation on industry similar to the great majority of other states. Our revenue act should be fair to industry, to the individual, to partnerships, and to every economic group.

This program of tax revision is merely another effort on our part to raise the per capita income of North Carolinians—which is another way of saying we are trying to raise the standard of living of North Carolinians—all North Carolinians. To do this, we must create economic wealth which can be distributed in such a widespread manner that it reaches the great bulk of our people. In other words, this is the grass roots approach to undergirding the economic progress of our state. I hope you will discuss this program and other related problems with your members of the General Assembly and with your folks at home so that they will understand what we are attempting to do in helping North Carolina move forward to a better, brighter future for *all* our people.

As I pointed out in my biennial message, while we are making every effort to accelerate our industrial development we must at the same time place equal emphasis on improvement in the agricultural segment of our economy. Despite the problems plaguing agriculture, we are still predominantly an agricultural state and I am proud of this fact. We still have twice the national average number of people on the farm and there is still a future for those who are able to cope with the serious management problems ahead. Our farm experts tell us that there will be increasing demands for certain farm products during the coming years. Consumption of meat, milk, wheat, fruits, vegetables, and tobacco are expected to climb steadily during the years to come. There is a very bright future for vegetable and small fruit crops provided that suitable marketing outlets and processing plants are available. This, incidentally, is the key to much of the future growth and prosperity in all our agricultural endeavors. Several counties have in the last several weeks signed up substantial acreage for growing vegetables. In milk production, we are faced with the challenge of producing enough milk to take care of the needs of our state. In the past year some 17,000,000 pounds of Grade A milk were imported and sales have shown a steady increase. At the same time, I understand that per capita consumption of milk in North Carolina is 133 quarts compared to 164 quarts on the national level. So there is plently of room for promotion of milk. As for the use of milk for manufacturing purposes, we have hardly scratched the surface. We are importing millions of pounds of milk as cheese, evaporated milk, butter, dry milk, and other products.

One of the great potentials for farming lies with forestry. There is an immediate opportunity for increasing income through tree planting and the proper use of our forest products. As our farm experts tell us, farmers must produce *quality* products in *volume* and provide a dependable supply to meet the needs of today and the future. At the same time, we want our people to remain on the farm and to provide incentives for part-time farming whether agricultural or whether industrial employment is available. We should make every effort to combine agriculture-industry in whatever combination is best suited to the area involved.

Thank you for this opportunity to speak briefly to you on matters of current interest which are now facing North Carolina. I value your opinion on these matters and I urge you to study the issues involved carefully and with the view to what is best for the long-range interest of North Carolina and its people. We have a wonderful state made up of hardworking, fine people who appreciate our great heritage and who want to build a better state and future for our children.

REMARKS AT THE ANNUAL OLIVER MAX GARDNER AWARD DINNER

CHAPEL HILL
March 22, 1957

[The Oliver Max Gardner Award is given annually at a dinner on Governor Gardner's birthday to that member of the faculty of the Consolidated University of North Carolina who has rendered the greatest service to humanity during the preceding twelve months. Taking as his subject "The Responsibility of the University in the Future Development of North Carolina," Governor Hodges stressed the duty of the University to "lead the way in new things" and "constantly communicate its vitality, its vision, its purpose, and its progress to all the people of the state." Dr. Warner L. Wells, a professor in the University's School of Medicine, was the winner of the award for 1957.]

My subject is as big, and almost as long, as my speech itself.

First of all, may I express my great pleasure in being with you tonight on this significant occasion. I hope that this O. Max Gardner Award event will never lose its significance, and will continue to grow in interest and importance. There is an inspirational note to these annual events which I like very much. If we can keep our minds and hearts everlastingly on the theme of "better teaching and more learning," we need not worry about the future of the University of North Carolina.

Before discussing the responsibility of the University, I should like to take a moment to point out that the state of North Carolina has a responsibility to the University itself. It has a responsibility to see that it is supported adequately. Without trying to develop this subject, it is well to suggest that it is always difficult to know what comes first—adequate support of the University, or the University challenging and creating adequate support.

As I said to a small group the other night, you cannot necessarily justify more appropriations for the University just by saying that the University is important, or that its professors need larger salaries, or that it is losing ground. Support and understanding must properly come from a legislature that reflects primarily the views of our people in small counties and a rural economy. Our legislators must be convinced of the University's value to the entire state. They must be convinced that all three branches of the University are offering the quality and scope of higher education that our young people need. Fortunately for the University and for the state, our legislators have believed in what you are doing and have appropriated millions of tax dollars for support of your programs.

As I have said many times, the membership of our General Assembly down through the years has been consistently outstanding. I think that the present membership certainly matches the high standards of the past.

As University people, we are naturally very proud and loyal to the University at Chapel Hill, North Carolina State College at Raleigh, and the Woman's College at Greensboro. We know from firsthand experience many of the great contributions which your parts of the University have made to the life and progress of North Carolina. We must remember, however, that many members of the General Assembly did not attend any branch of the University but have an equally important loyalty to another alma mater, which may be a denominational college in the state or an institution of higher learning in another state. These legislators have no emotional ties or past experience with the University and quite naturally want to know what happens to all the tax money that is spent by the University.

It is tremendously important that the University constantly communicates its vitality, its vision, its purpose, and its progress to all the people of the state. This means not only doing a good job, but telling the public about it. At my press conference this week I said that the University is showing the country what it is to have a good basketball team, both as to quality in playing and good sportsmanship. I said that at the moment there is more interest in "a good dribbler" than in "a good library." The story of both needs to be told because each has its place in the order of things. And, sometimes, a good dribbler (especially if he's a good sportsman) can help us get and keep the public interest necessary to have a good library.

Our University has a responsibility for the development of the state. This is a traditional and clear-cut responsibility. And our University has met that responsibility with a heritage of service that has made its day-by-day activities a part of the lifeblood of our state. University-trained men and women have returned to their towns and counties to furnish leadership in every conceivable field—education, agriculture, religion, manufacturing, commerce, transportation, finance, and others.

To meet its responsibility now, the University must do several things, which I can only mention in passing. The first of these is that it must set its administrative house in order. We are making great progress along this line, and I want at this moment to pay tribute to the leadership of President William C. Friday. Rarely have we seen on the horizon of North Carolina, or any other place in this region, a young man who has been more quietly effective, calmly courageous, and completely dedicated to a job than has our own Bill Friday. He recognizes so well that the University cannot put its best foot forward unless it is organized to see that its top people give of their best.

The University in all of its administrative parts, in the college, themselves, in their well-known academic programs, and especially in these days of big-time athletics, must be able to make courageous and prompt decisions.

The University to make its contribution must have a minimum of internal strife and bickering. Without discussing anything in the past, I want to say we are making great progress along this line; and I anticipate an absolute minimum of this sort of thing in the future. This doesn't mean less freedom of speech but more. Our freedom of speech in this University must be guaranteed but with this freedom goes comparable responsibility.

The University to make its contribution must be willing and able to make self examinations. Gordon Gray made a contribution along this line by establishing your University Conferences, and President Friday is doing the same sort of thing in specific areas and fields; and we must be specific really to get the job done.

The University must lead the way in new things. It must dare to experiment—it must dare to be out ahead—it must continually inspire, not only its students, and the four and one-half million citizens of the state, but it must in a quiet and natural way inspire and encourage other agencies of this state to do their best. It must give leadership on all fronts. It particularly has an opportunity and responsibility to give leadership on the public school education front. I will not have time to discuss this because it is a separate subject which needs much attention and time. I will simply say, as a superintendent said publicly the other day, "We are only playing halfway on this education job." We are inclined in our North Carolina education leadership to reduce everything to a lower average and to make everything "uniform." Our minds are generally not open to the future and are really not in tune with the modern present.

North Carolina is a state in transition. She is a state with great economic problems and great economic opportunities. This University can and must make its contribution toward the solution of these problems. It must lead the way. It must teach and practice open-mindedness both individual and group. It must inspire individuals and groups, and the state itself, to look ahead, to think and act unselfishly, and to show our love for North Carolina by constructive acts and thoughts.

The University of North Carolina is happily getting its house in order and looking aggressively ahead. It is re-establishing itself stronger than ever with its sister colleges of the region and of the nation. There is plenty of keen competition now from all sides and this is good. It is tougher now than a decade or so ago. University and North Carolina leadership of the 1920's is now paying the price of that leadership as others have used us and at times "rifled" us.

The late William T. Polk once observed: "There is a progressive strain in the Tar Heel, a realistic and resourceful determination to get ahead with the work for a better way of life for himself and his fellows." I believe this is true and that the University has reflected this determination of all our people to move ahead of the pack again.

Here at the University we are fortunate in our Moreheads and their contributions toward excellence among students. We are fortunate in our Kenans and their contributions toward excellence in our faculty. We are fortunate in our Max Gardners and their contributions toward further excellence on the part of the individual teacher. Tonight we honor Max Gardner's memory and recognize again his greatness.

The essence of all these contributions, mighty as they are, must be given to the three parts of our University—to the Woman's College at Greensboro, to the State Agricultural and Engineering College at Raleigh, and to the University at Chapel Hill. Let us work as one great, invincible team to move North Carolina forward as the University accepts its responsibility in the future development of North Carolina.

Thank you for the privilege of being with you.

ADDRESS AT DEDICATION OF THE NORTHERN HOSPITAL AND NURSES HOME OF SURRY COUNTY

MOUNT AIRY

March 31, 1957

[The Martin Memorial Hospital, a private institution, had been destroyed by fire on May 1, 1953, and had been replaced by a modern 100-bed hospital and nursing home built with funds supplied by various foundations, the state, and the federal government. Governor Hodges was the first official visitor to the $1,750,000 facility which was to be opened to patients on April 3, 1957. Following a luncheon at the Reeves YMCA he made a quick tour of the hospital and then delivered the principal address at the dedication ceremonies which were attended by several hundred persons who had assembled for the occasion in the Mount Airy High School Auditorium.]

It is a great experience for me to be able to share in these opening-day exercises and dedication of the Northern Hospital of

Surry County and the Northern Hospital Nurses' Home. This beautiful, modern 100-bed hospital and attractive nurses' home represents tangible evidence of what the people of Mount Airy and Surry County can do to meet one of their most pressing needs—adequate hospital facilities. I know that all of you are extremely proud of these great facilities, but I am sure that no one here feels a greater thrill than Dr. Moir S. Martin who has poured his life, his talents, and his dreams into serving the health needs of the people of Surry County. Dr. Martin has served as an inspiration for all public-spirited citizens and has furnished invaluable leadership in the planning and work which went into the construction of a modern hospital and nurses' school.

I have looked over the progress timetable of your hospital and see that first negotiations began in July, 1952. The disastrous fire on May 1, 1953, destroyed Martin Memorial Hospital, Incorporated, and accentuated the need for a new hospital. All of you recall the difficulties you have faced when a temporary hospital had to be set up in the YMCA and later the sick people sent to Elkin and Winston-Salem hospitals. Within two weeks' time, the Surry County Board of Commissioners took action by passing a resolution requesting the formation of a hospital district and within another week the Board of Commissioners of Mount Airy also joined in this action. A hospital district of eight townships was formed under a legislative bill introduced by the Honorable Joseph R. Fowler, Jr., Representative from Surry County, and subsequently a $500,000 bond issue, to be financed by a ten cent tax levy, was passed. Joe Fowler is an excellent representative in our General Assembly.

The North Carolina Medical Care Commission and the United States Public Health Service shared in the intensive planning which went into the construction of the hospital and nurses' home. As you know, this was a joint program at local, state, and federal levels of government, which is excellent. A breakdown of the county, state, and federal funds expended for the new hospital shows that the federal share of the cost, provided for in the Hill-Burton Act and administered by the North Carolina Medical Care Commission, was 50 per cent, or $728,629. The state's share was 14.2 per cent, or $206,930. The local share was 35.8 per cent, or $612,075 (including 100 per cent of $77,849 for items in excess of Commission standards).

A similar breakdown of the cost of the nurses' home shows that the federal share was 50 per cent, or $130,741. The state's share was 14.2 per cent, or $37,212; and the local share, 35.8 per cent, or $97,793 (including 100 per cent of $4,136 for items in excess of Commission standards).

This hospital represents a total cost of $1,583,636, and the nurses' home was constructed at a cost of $265,747. In addition to these expenditures of tax monies, the Martin Memorial Hospital Foundation has contributed more than $300,000 and made available many added features which could not have been provided otherwise. Some of these, I understand, are special controls on all high-pressure sterilizers, an excellent intercommunication system, extra room furniture and equipment, and Mount Airy granite for trimming of this beautiful structure. The Z. Smith Reynolds Foundation has shared in this effort by providing $106,000 of the funds given by the Martin Memorial Hospital Foundation.

While we recognize today the efforts of all Surry County leaders, the story of the Northern Hospital actually reaches back to 1915, when Dr. Martin bought a hospital here and named it in honor of his father, Dr. R. S. Martin of Stuart, Virginia, a distinguished surgeon and physician. On May 1, 1918, young Dr. Martin opened the Martin Memorial Hospital School of Nursing, and the first class graduated in 1921. I understand that a number of the graduate nurses married, settled in this community, and have provided wonderful service. It was most appropriate that the trustees of the Northern Hospital should name the new hospital's school of nursing the Martin Memorial School of Nursing. Dr. Martin has headed the planning work for the new hospital, and serving with him have been Mayor W. F. Carter, Jr., County Commissioner R. Posey Jones, D. L. Hiatt, and John A. Simmons. Other members of the board are J. W. Gordon, Mrs. F. V. Dearmin, Sr., Mrs. R. C. Llewellyn, and D. D. Hodges. Lawrence C. Walker serves as secretary-treasurer of the hospital project.

The construction of this great hospital facility is merely another indication of the progress and growth of Surry County. Formed in 1770, your county was named in honor of Lord Surry, a prominent member of Parliament who protested the taxing of American colonists by Parliament. Surry has been a strong agricultural county from its beginnings, and today its rural people carry forward this great heritage. Since the Civil War, Mount Airy and Elkin have grown from small foothill villages into bustling industrial cities, and industries have also moved into Pilot Mountain, Lowgap, Dobson, Copeland, and elsewhere. Tobacco, furniture, granite, and textiles have been the industrial leaders. I hope that you will keep your balance of agriculture-industry and work hard for future growth and sound development on all fronts.

The completion of your hospital was made possible by the North Carolina Medical Care Commission which is the state agency vested with authority to administer state and federal funds for construction and equipment of hospitals and allied facilities. The commission was created by the state legislature of 1945, and was formally organized with a board of twenty members on July 1, 1945. Its activities have included: a state-wide survey of the existing medical and hospital facilities, and those needed; a study of the need of a four-year medical school and a teaching hospital at the University of North Carolina; state participation in the cost of the hospital care of indigents; licensing of hospitals and nursing homes; the administration of a state-financed student loan program designed to provide the rural areas of the state with medical, dental, pharmaceutical, and nursing personnel and to supply state mental hospitals with medical and nursing personnel; and the construction and equipment of hospitals and allied facilities.

The Medical Care Commission is also interested in developing facilities for the care of patients suffering from chronic illness, for the rehabilitation of handicapped and disabled persons, and more nursing homes that provide skilled nursing care under medical supervision.

The Eighty-fourth Congress (1956) continued federal support of the original Hill-Burton program for the fiscal year 1957 on a $102,800,000 yearly basis for the construction of hospitals, health centers, and nurses' residences. The allocation to North Carolina for 1957 is $4,564,698. In addition, Congress in 1954 voted $21,000,000 for each of two years for the construction of (1) chronic diseases hospitals, (2) diagnostic or treatment centers, (3) nursing homes, and (4) rehabilitation facilities, and it continued federal support for the fiscal year 1957 with an additional

$21,000,000. The allocation to North Carolina for medical facility projects totals $705,428 for the fiscal year 1957.

In 1947, there were approximately 8,019 local general hospital beds in North Carolina, or 2.4 beds per 1,000 population. There are now existing or authorized 13,980 acceptable local general hospital beds in North Carolina, or 3.3 beds per 1,000 population. This comparison does not give a reliable indication of actual progress, however, since many of the original beds were obsolete and were in buildings unacceptable for expansion and had to be abandoned. In all, North Carolina has built or contracted to build 6,567 new hospital beds since July 1, 1947, of which 727 are patient beds in state-owned hospitals, 5,730 are in local general hospitals, 30 in a rehabilitation hospital in Charlotte, and 80 in a chronic disease hospital unit in High Point. In addition to the expenditures of the Medical Care Commission, the state has supplied more than $40,000,000 to state-owned hospitals for new facilities.

Another activity of the North Carolina Medical Care Commission provides financial aid toward the cost of the hospitalization of medically indigent patients. During the calendar year 1956, the commission paid $277,819 to 135 North Carolina hospitals that provided hospitalization for a total of 17,053 medically indigent cases. The commission pays the hospital $1.50 per day in behalf of patients certified as indigents by the county superintendent of welfare.

The commission's licensing program has included the inspection of 190 hospitals and clinics. So far in 1957 licenses have been issued to 166 hospitals having 14,480 patient beds, or 98.9 per cent of all general and allied hospital beds in North Carolina. The hospitals that are not yet licensed represent, for the most part, physicians' clinics having less than ten beds. This licensing program was designed to safeguard the health and welfare of hospital patients, and to insure creditable standards of service in North Carolina hospitals chiefly from the standpoint of the quality of medical and hospital care, diet, sanitation, and safety against fire.

The 1955 General Assembly amended the state's hospital licensing act to include the licensing of (nursing) convalescent homes by the commission. The object is to establish reasonable standards for the construction, equipment, and staffing of nursing homes, and to safeguard the life, health, and welfare of the patients.

In an effort to provide the rural areas of the state with medical practitioners, the 1945 legislature authorized the commission to administer a student loan program designed to provide loans to medical students who agreed when their training was completed to practice for at least four years in rural communities or towns that have a population not exceeding 2,500 persons.

In 1947, the rural program was expanded to include in addition to medical students, students of dentistry, pharmacy, and nursing. In 1953, another student loan program was provided for by the legislature. It permits loans to students of medicine and nursing who will agree to practice after graduation for designated periods in state-owned mental hospitals. This type of loan can be liquidated on the basis that one year's loan will be canceled by one year of service in a state hospital.

Loans have been granted to 128 students. Of these, thirteen enrolled in the state-owned mental hospital program, and 115 in the rural program. Fifteen students of medicine and two students of dentistry have completed their training and are now practicing in rural areas. In addition, twelve physicians and two dentists have also completed their training and will begin rural practice as soon as they complete their internship or the required two years of military service. Approximately six years elapse between the date a medical student first receives a loan and the date he is licensed to practice. There should be a substantial increase during the next few years in the number of physicians, dentists, pharmacists, and nurses who will engage in practice in the rural areas of the state.

According to the December 31, 1956, record of the United States Department of Health, Education, and Welfare of hospital and medical facilities construction by states and territories under the Hill-Burton program, North Carolina leads all states with 247 projects; and the state ranks fourth as to the number of new hospital beds constructed; and eighth in expenditures for hospital construction. This record does not include about $40,000,000 appropriated by the legislature to state institutions for construction of hospital facilities.

It should be clear that North Carolina believes in good health for all its people and much of the progress which we have witnessed in recent years reflects credit upon Governor J. Melville Broughton and the members of the General Assembly a decade ago when the Good Health Program began. Since that time, North Carolina has made tremendous progress in new hospitals, new health departments, increased voluntary health insurance, increases in numbers of doctors and nurses, better health education, and new interest and growth in industrial health and safety. May I pay a special tribute to Dr. Ferrell who headed our Medical Care Commission for so many years.

Health is still a primary interest of the people of North Carolina because it is an umbrella which covers everyone. In this connection, we have become increasingly aware in recent years of the tremendous problems connected with mental illness. We have furnished huge expenditures for the expansion of our state mental hospitals in a determined effort to meet the tremendous needs for better mental care and treatment. The statistics in this field are simply overwhelming. For example, every year 250,000 people enter mental hospitals of America for the first time. Another 100,000 are re-admitted. One of every dozen children born this year will become a serious mental case sometime during his life. It is estimated there are 1,500,000 psychotics in the United States and that one-third of our active working population is emotionally disturbed. At the same time, there is a serious shortage of psychiatrists and other qualified medical personnel to work with the mentally ill. Yet we are making progress in North Carolina, and the emphasis now is upon treatment and cure—instead of custodial care.

In the field of public health, we have made great strides since the first North Carolina State Board of Health was created by the General Assembly in 1877. Preventative efforts of public health have been a great factor in the constantly improving general health of our people. In the treatment of communicable diseases, progress in the last twenty-five years has been dramatic. Cases of diphtheria have been reduced from 3,248 cases to 85; typhoid fever from 1,000 cases to 37; smallpox from 556 cases to the point that no case has been reported in the last several years. The saving of human life and the prevention of human suffering resulting from this progress is difficult to express but understandable to all of us, and appreciated by all of us, especially those of us who have children and grandchildren. Such a record results from vigorous, determined, and highly skilled efforts of public health personnel and practicing physicians, as well as thousands of good citizens who give this program their support.

The march of good health in North Carolina has continued unbroken, and we are grateful for all who have shared in making this possible. I consider the dedication of this great health facility another example of what we in North Carolina can do to help ourselves toward the road of a better life for all.

May I again commend Dr. Martin, his associates, and the citizenship of this region for your vision, courage, and sacrifice. This is good citizenship.

ADDRESS BEFORE THE FIFTY-FIFTH ANNUAL CONVENTION AND COUNCIL-INSTITUTE OF THE NORTH CAROLINA FEDERATION OF WOMEN'S CLUBS

HIGH POINT
April 2, 1957

["Governments Do Not Preserve Themselves" was the subject assigned to Governor Hodges for his address on this occasion. In keeping with the character of his audience and its theme on citizenship, he emphasized the part played by women and women's organizations in civic affairs in general and in North Carolina in particular and solicited their continued support in such matters as better mental and social discipline among children, intelligent citizenship, highway safety, and preserving the beauty and cleanliness of the state through elimination of the litterbug menace.]

Mrs. Hodges and I are happy to be here with you at this annual convention of your federation. I know that you have enjoyed your program today and I hope that my remarks may make some little contribution to your theme on citizenship.

As you know, during the legislative session it is necessary for me to limit my public appearances and speeches greatly so that most of my time can be devoted to legislative matters. However, I viewed your invitation as one of those rare exceptions for three reasons: (1) you represent a statewide organization dedicated to voluntary service in the promotion of the civic, cultural, educational, and social betterment of North Carolina; (2) your federation has made a magnificent record of unselfish service, and I wanted to tell you this; and (3) I knew I would find here responsive minds and hearts willing and ready to help North Carolina move forward.

Our late Senator Clyde R. Hoey, a great citizen and leader, once said: "There is nothing under the shining sun the federated club women of North Carolina cannot achieve if given the task." Your record leaves no room for argument, as you have demonstrated in such fields as education, health, welfare, fine arts, conservation and development, citizenship and legislation, peace and freedom. Your 350 clubs and 19,000 members scattered across North Carolina have helped arouse our people to many urgent needs and vital issues. Above all, your clubs have furnished a cooperative means of providing constructive group action in areas of human needs.

The ability of American women to do almost any task—no matter how difficult—was handed down to them by sturdy ancestors. The women who dared everything to come to the New World were hardy souls. The dangers from a shipwreck, hunger, disease, Indians, isolation—all selected out a certain kind of woman. The woman who survived long enough to become a grandmother was qualified to meet almost any crisis. She had shared her husband's hardships, picked up the rifle that dropped from his wounded hand, driven the team when he became delirious from fever, raised his children if he died and left her a widow. Such a grandmother, resourceful and independent, was the custodian of the virtues of a new society. Today's American woman is cast in a different role, but the challenges and the problems are perhaps just as great. Today's woman certainly operates under a new concept of "woman's right" which did not exist in earlier days. Caught in the conflicting currents of the changing society, the American woman today is a popular subject of analysis, admiration, envy, and criticism.

Mrs. Peter Marshall has written of a modern-day American woman:

> The case of the woman and the automobile may be a sort of parable for our day. Men invented the horseless carriage. Women, wearing coquettish dusters, were at first only eager passengers. To them the actual mechanics of the car were an enigma. Not for the world would a woman have tried to crank the thing or change a tire.
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> Then the car grew more attractive. Self-starters replaced cranks, and tires did not have to be changed so often. Women found that they, too, could handle a car. Right away they wanted to drive. Soon many of them had permits, and for a while driving was heady wine. They did not have to be beholden to any male for transportation. It was sweet release to go where they wanted whenever they wanted. But even in the transportation field rights inevitably have duties and responsibilities attached. In our day many a suburban housewife finds that that the wonderful freedom to drive means that she is chained to the family car, beholden indeed, serving continually every member of her family.
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> This same pattern applies to any area in which women have won their rights—the right to bring home a pay check, to enter business, industry, or politics. In each of these fields all the steps have seemed exciting and enjoyable—until the last one. Freedom always seems like fun; duties and responsibilities not always so.

Today there are 83,200,000 females in the United States, 60,000,000 of them adult women. The percentage of women in the labor forces doubled in sixty-five years; now, with 22,000,000 at work, women comprise almost one-third of the total employed in this country. While most of the jobs that women hold are still in more traditional fields, women were represented in every job category carried by the 1950 census. Our women deserve commendation and understanding for the many contributions which they have made and continue to make to the life of our state and nation. Certainly they are contributing more and more to our social, cultural, religious, political and economic life—not to mention the fact that they are producing more and healthier babies than any women in our nation's history.

I believe that the membership of your federation represents the type of intelligent, public-spirited, and energetic women who want to work for what is good and constructive. Your federation has quite a record in public affairs—for example, it helped secure passage of a bill for a state-supported eight months' school term, provided real leadership in the establishment of a correctional school for girls, worked for years to bring about a good child labor law which was finally put through the General Assembly by North Carolina's first woman senator, a state federation president. Your federation also helped secure the Australian ballot for North Carolina and has believed fervently in the "get out and vote" campaign for many years. Much of the credit, of course, goes to your "junior" club women and their many worthwhile projects.

As a further example of what I am talking about, the Raleigh Woman's Club was awarded top state honors for its civic achievements in 1956 by the General Federation of Women's Clubs. The record of the Raleigh club is simply overwhelming, and Raleigh is a better city in which to live as a result of the efforts of these fine club women.

To me, this is democrary in action and is proof that your membership believes in nurturing and preserving national ideals and principles that have given this nation its proud heritage. It is true—as set forth in my assigned topic—that "Governments Do Not Preserve Themselves"; they can be preserved only by the diligence of those in whose guardianship they have been committed. In this republic the ultimate power rests with the people which means that each of us, as a citizen, must assume certain responsibilities if our form of government is to survive and serve properly.

This is a tremendous subject, and time will not permit me to develop more than a few thoughts which may touch your lives as club women. Mark Twain once said that "a little of citizenship ought to be taught at the mother's knee and in the nursery. Citizenship is what makes a republic; monarchs can get along without it. What keeps the republic on its legs is good citizenship." This is sound advice, because we must teach our children the basic values of life and the principles upon which our government must rest, if we are to survive as a free people and a free nation.

After all, our state and our nation are made up of millions of families. In the family are cradled the cardinal virtues that enable good families to add up to a great nation—standards of conduct, respect for the rights and property of others, loyalty, health, tolerance, cooperation, self-reliance, good breeding, a sense of the fitness of things, and, above all—the guiding principles of Christianity. The continued success of our American way of life must be based upon Christian homes where the interest of man, woman, and child receive equal consideration.

Actually the successful maintenance of the family is one of the greatest acts of good citizenship in itself. Just as democracy starts in the home as a obligation, it ends there as a reward. To the degree that all other duties of citizenship have been fulfilled, your home will be your castle, secure from the threats of confiscation, and those in it safe from the threats of tyranny and fear. In addition, child training and the preparation for education involves another great responsibility of each mother. One of the great needs today is for better mental and social discipline among children. We are told that it is during the pre-school years that for good or bad, and whether intended or not, the basic personality traits are formed. How well parents perform their job during these critical years will determine to a very large extent the kind of material that school teachers will have to work with in discharging the obligations of their job. As parents we should not expect our teachers to turn spoiled and unruly youngsters into educated young ladies and men. It is almost a certainty that if we send to our schools uneducated, undisciplined children, our schools will send home uneducated, undisciplined children; and we need not blame the schools.

On the other hand, as parents we have a right to expect that our children shall not find at school any attitude of pampering which if carried to excess will tend to undo whatever discipline is received in the home. We should want the minds of our children to be challeneged and toughened by the mental discipline of subjects such as the natural sciences and mathematics. This is not to play down the high importance of the humanities, but it is to call attention to the compelling necessity that our secondary schools *produce* more graduates who are interested in and capable of learning physics, mathematics, chemistry, and other fields of study which are too often bypassed at the college level because of inadequate preparation in our public schools. In other words: Let us as parents send to the teachers children who can be taught, and let us expect our teachers to return children who are being taught something worthwhile. Social and mental discipline on the part of the parents, teachers, and children will be necessary to insure such results.

Government will certainly not be preserved unless we also preserve our public schools. A great American newspaper recently made this statement: "It can be said with certainty that the character of the country will be shaped by the quality of education. If children are intellectually undernourished, America will lose its position of leadership in world affairs—will lose, indeed, attributes of energy and understanding, of inventiveness and technical know-how, of self-reliance and self-control which have been the dynamism of its greatness. The self-governing society is directly dependent upon an educated citizenry." The children whose education is being cramped and starved today will be less able to shoulder the burden of responsibility for community and national welfare tomorrow.

North Carolina believes in public education, and its record of achievements during the past half century is a revealing story in itself. We have come a long way in our earnest efforts to provide the best possible education our economy could afford. During the next two years we will spend over $300,000,000 on public education from state funds. As you know, we have serious problems involved in providing increased pay for our school teachers and other state employees, as well as meeting the needs of higher education, mental institutions, welfare, and other objects. Yet money itself is not the sole problem involved in our public education today. A booming birth rate and a rapidly changing world have brought grave problems to public education. As citizens, as mothers, as community workers, I urge you to open your minds and your hearts to the crisis in public education today. We need your *objective* and thoughtful consideration of our entire public school program. We need to recognize and keep what is good and constructive, throw out what is antiquated or usless, and, above all, welcome new ideas, new inspirations, and new methods which can help North Carolina give her children the best possible education for the money available.

It was with these thoughts in mind that I originated the North Carolina Citizens Committee for Better Schools in January. Under the direction of Mr. Holt McPherson of High Point, editor of The *High Point Enterprise,* this committee was set up *to arouse in each community the intelligence and will to improve our public schools.* At that time I told the new committee members that "the important thing that you have done here today, and that you plan for your further endeavor, is that you have the child at the base of your planning. That is as it should be. We are not thinking in terms of buildings per se or teachers' salaries per se. With the child at the base you can stay near fundamentals. You should ask yourself the questions: What does the modern child need? Are we taking care of these? Have we become too modern? Have we forgotten and left behind some of the fundamentals that proved so helpful in our beginning?" I also pointed out that our public school program could not be left entirely to the professional educator, to the teacher, to the PTA, or to any organization—and this is said without reflection on anyone. We are proud of our teachers, our educators, our PTA, and other allied school groups.

I put this emphasis upon education because I have great faith in what you as North Carolina leaders can do when you are aroused and challenged. About a year ago I talked briefly to the Raleigh Woman's Club on the subject of highway safety and pointed out that I considered the highway accident situation so serious that I could even recommend that the women resort to "nagging." If nothing else prevails, I said: "Nag your husband about driving safely, observing traffic rules and regulations, about keeping the family car in safe driving condition. Nag the children about looking before they cross the street, and speak sharply to yourselves when you find you are driving faster than the law allows." It has been wisely said by one of our national women's magazines: "Never underestimate the power of a woman." Incidentally, I cannot document the results of such a "nagging" campaign, but it received national acclaim, and it is gratifying to note that North Carolina experienced a decrease of 5 per cent in traffic fatalities or fifty-seven fewer lives lost than in 1955, resulting in a fatality rate of 6.6 per 100,000,000 miles of travel, the lowest in the state's history at a time when our traffic volume was greater than ever before. Whatever the reason, we are grateful!

The government of a republic is preserved through an educated electorate. It is also preserved through an electorate informed on current affairs and problems of the hour. In this complex and fast-moving world, we must read, observe, and listen a great deal to keep up with even a minimum amount of information concerning public affairs. In this modern age of rapid communication, it is still shocking to discover how few people keep informed on governmental affairs—whether local, state, national, or international. Yet these affairs of your government affect your lives and the future of your children. Your clubs, fortunately, have laid great stress on this, and your program down through the years has laid emphasis upon keeping informed on public issues.

In passing, may I also point out that democracies operate best through political parties, because politics, as defined by Webster, is the "science and art of government; a science dealing with organization, regulation, and administration of state . . . the theory or practice of managing or directing the affairs of public policy or of political parties.'" Activity in the political party of your choice can give you an immediate opportunity to lend your voice and your ideas in the preservation of good government and in providing the political leadership needed by your state or community. When American women won the right to vote, male reaction ranged from predictions that women would never have the stamina to do political work to forebodings of democracy's doom. There were some wishful expectations that politics would soar into a rarefied atmosphere of purity. After some thirty-seven years, women apparently have neither ruined nor reformed politics, but they have made a tremendous impact upon political action in this country—not only at the community level, but at the national level in recent presidential campaigns. I urge you to extend your influence and your energy through the party of your choice. The membership of the junior woman's clubs, I believe, would enjoy participation in precinct and county organizations.

In closing, may I place before you the challenge of preserving the beauty and cleanliness of our state. Since 1955 I have been working on some plans to mend the ways of some very thoughtless people—the litterbugs. Litter and trash on the highway appear to be one of the many problems resulting from the motorized age in which we live. It is an unpleasant fact that tons and tons of litter and debris deface our countryside and mar the natural scenic beauty of our streets and highways as well as our public parks. This litter causes erosion when highway drain systems become clogged. It is a fire and safety hazard, and often a menace to health. Litterbugging makes us and our children careless and slovenly. It discourages courtesy and thoughtfulness.

Much of this has come about because many motorists do not feel any personal responsibility for the appearance of our highways, parks, and such public places. They simply have no idea of the staggering amount of litter left in their wake and the costly effort which is required to move it. It has been estimated that in the United States more than 30,000,000 tax dollars have been spent each year just to remove litter from rural highways—not to mention additional millions spent cleaning up towns and cities.

There is a law on our books making it a misdemeanor for any person to deposit any trash, debris, garbage, or litter along any public road or highway, and upon conviction an offender can be fined not to exceed $50 or imprisonment not to exceed thirty days. Some months ago, we urged our Highway Department and the Department of Motor Vehicles to cooperate in a program of placing warning signs along our public highways calling attention to the statute. This has been done, and we believe that the mere warning alone has had a good effect. This is the first step in an educational campaign to beautify and help our state.

I am pleased to announce that the State Travel Council, headed by Mayor Voit Gilmore of Southern Pines, has agreed to undertake the task of heading up a state-wide anti-litterbug campaign, and that your federation president has approved of the participation of your federation in such a campaign. We also have asked the participation of the Garden Clubs of North Carolina, the 4-H Clubs, and several other organizations. A planning meeting will be held in the near future, and other details will be released shortly.

A well-known Chicago newspaper columnist recently took the litterbug to task with such vigor that even his wife became aroused about the problem. Several days later they were driving into town, and had stopped at a stop light when suddenly a couple in the next car tossed into the street an assortment of paper cups, food wrappers, and old magazines.

The wife immediately rolled down her window and announced in an authoritative tone: "You're a litterbug!" The driver looked around in blank astonishment.

"If you don't get out and pick it up," she continued, "I'll do it myself." Unable to think of a suitable reply, the driver sheepishly got out and did so. Never underestimate the power of a woman!

Speaking for the people of North Carolina, I want to thank you for your service to our communities and our people. Your love for North Carolina and your understanding of our needs mean a great deal to the life of our state. There is a saying I like. "Rome's citizens do not love her because she is great. Rome is great because her citizens love her." Keep up your good work and have faith in your ability as individual citizens, and as an organization, to deal with each problem and each challenge as it arises. We in North Carolina have been fortunate to have good government on the state level for many years. But state governments do not preserve themselves. Let's not take our state government for granted but see that it continues to improve and to serve! This is a basic responsibility of citizenship which you cannot leave to someone else. Keep informed, alert, interested, and busy. Let's make North Carolina the kind of state in which our children and their children can live and which they will love.

Thank you.

ADDRESS AT THE DEDICATION OF THE NEW LAW BUILDING AT WAKE FOREST COLLEGE

WINSTON-SALEM
April 26, 1957

[Dean Albert J. Harno of the University of Illinois Law School gave the principal address on this occasion. Other speakers included Governor Hodges; Dean Henry P. Brandis, Jr., of the University of North Carolina Law School, representing the law schools of the state; Federal Judge Johnson J. Hayes of Wilkesboro, representing the judiciary; Albert W. Kennon of Durham, representing the North Carolina Bar Association; and John G. Hervey of Oklahoma, representing the American Bar Association. The exercises were held in the moot courtroom of the new law building and were attended by more than 200 Wake Forest law students and alumni, jurists, attorneys, and delegates from other law schools.]

President Tribble, Dean Weathers, Dean Harno, Distinguished Guests, Alumni and Students:

I am indeed happy to have this opportunity to share in the dedication of your beautiful new law building. This building and the other wonderful facilities of Wake Forest College here in its new location constitute a magnificent and most commendable demonstration of the faith and confidence which the Baptists of North Carolina and the Reynolds Family in particular have in this institution. I might add that this faith and confidence are shared by thousands of other North Carolinians, including myself, and we all are confident that Wake Forest College will continue to make an evergrowing contribution to what is good in North Carolina and in the nation.

This new law building—designed to accommodate the continued growth and future development of the school and the expansion of its program in legal education—is, I am told, a far cry from the crowded quarters the school occupied for years on the second floor of the old Heck-Williams Building at Wake Forest. Your law school has been growing steadily since it opened sixty-three years ago as a one-man department. Now that the school is housed in its new building, the way is open to ever greater, more rapid growth. I have seen the building and it is magnificent.

Dr. Needham Y. Gulley was the school's first instructor and first dean; it was he who charted the course it is still following today. In the year 1893, he stood "pen in hand" to register students in the newly authorized law school at Wake Forest. But no students registered, and this caused him a "trifling shade of discouragement," according to George W. Paschal's history of the college. "Not willing to let the enterprise fall stillborn," Dr. Gulley announced that he would lecture once a week on law to any who cared to hear him. So many came to hear him that the next year, 1894, the Board of Trustees elected Dr. Gulley to be professor of law at a salary of $750 a year. This was the beginning of an association between Dr. Gulley and his great college that was to last for nearly forty-five years.

Professor Gulley's ability to teach and give his students a knowledge of law was soon known throughout the state, and in a little more than a decade after the school was opened, it was training more than 40 per cent of the men who successfully passed the bar and were licensed to practice in the state.

In May, 1908, Dr. Gulley reported that 280 of his men had been licensed. In February, 1931, he reported: "Although not all of them are practicing, there are still enough in the profession to constitute approximately one-half of the total number of attorneys in the state at present."

The school remained largely a one-man affair until September, 1906, when Professor Edgar W. Timberlake joined the faculty. Professor Timberlake was beginning a service which was to last for a half-century. During that time he probably taught more lawyers than anyone else in the state. He retired in 1955 and remains on the faculty as professor emeritus.

In July, 1917, Dr. Gulley and Professor Timberlake were joined by Professor R. B. White, a law partner of Governor Thomas W. Bickett. He served for twenty-six years, retiring in 1943. Dr. Dale F. Stansbury became dean of the Law School in 1935, and under his leadership the school continued its growth until World War II practically halted legal education in North Carolina.

In 1943, the Wake Forest School of Law was jointly conducted with the Duke University School of Law. But because the draft did not provide deferments for legal education, enrollment was negligible. The merged schools seldom had more than twenty students. This arrangement was continued until 1946. In the meantime, Dean Stansbury had gone to the University of Tennessee Law School, later joining the faculty at Duke. He is now acting dean of the Duke Law School.

When the Wake Forest Law School reopened on its own in 1946, it got a new dean—Dr. Robert E. Lee. He retired as dean in 1950 and was succeeded by Dean Carroll Weathers. Dr. Lee remained on the faculty as a professor of law.

And now I would like to say just a few words about the present dean, Professor Carroll Weathers. Dean Weathers practiced law in Raleigh until he assumed the deanship in 1950. He was graduated from Wake Forest in 1922 and from the law school in 1923. He has held many responsible posts in Raleigh, including the chairmanship of the Raleigh Civil Service Commission and president of the Board of Trustees of Raleigh's Olivia Rainey Library. He was a member of the North Carolina Senate in 1935 and a member of the Committee on Constitutional Amendments. In 1952, he was a member of a special committee on Revision of Library Standards of the Association of American Law Schools.

In the late summer of 1955, Dean Weathers assumed the chairmanship, at my request, of the Commission on Legislative Representation. In this capacity he rendered distinguished service, and he and his commission submitted a fine report for consideration by the 1957 General Assembly. I supported the report of the commission, but in spite of the fairness of its recommendations and in spite of all the support we could muster, the Senate only last week killed the bill which implemented the recommendations. This action seems to have grown out of what I believe to be an unrealistic fear by the small counties of the larger counties. I would like to take this opportunity again to thank Dean Weathers publicly for his fine service and to say that we need not be disheartened because the recommendations were not adopted. Reapportionment is not an easy thing to get accomplished; however, I believe more people throughout the state, and this includes members of the General Assembly, are more genuinely concerned about this problem at this time than they have been in several years past. I believe a large part of this concern is attributable to the work of the Weathers commission.

Because of the apparent fear on the part of the representatives of small counties with reference to possible domination by larger counties, which grows in some measure out of the fact that both houses as presently set up are dependent upon population as a basis for representation, it may well be that before we ever secure reapportionment, we are going to have to put one house solely on a geographical area basis, along the lines of the Federal Congress. In any event, reapportionment is not a dead issue by any means, and sooner or later the General Assembly of North Carolina is going to perform its duty and insure that all of our people have representation as required by the constitution.

Speaking of the General Assembly, I would like to discuss very briefly with you some of the other matters which are included in the legislative program of our administration this year. Perhaps of more general interest than any other item in our program is the proposed revision of the Revenue Act. The Finance Committees have held extensive public hearings on the recomemndations made by the Tax Study Commission. There has been strenuous objection to some of the changes proposed. However, it is my present opinion that several of the recommendations, including the proposed change in the allocation formula by which we tax the income of multi-state business operations, will be accepted by this General Assembly.

Also, of widespread interest is the question of salary raises for teachers and other state employees. It is my present opinion that the General Assembly will approve the recommendation of 15 per cent increase for teachers and 11 per cent for other state employees. Admittedly, the raise recommended for teachers is not adequate to put North Carolina where we should be with respect to our pay for public school teachers. However, it is absolutely the maximum that the state can afford at this time. As I have said many times, before we are ever able to pay teachers what we should pay them and what they deserve, we are going to have to revise our whole system of financing buildings, operations, and salaries of our schools as between state and local governments. I am hopeful that the General Assembly will provide a study commission to look into this whole problem and report back to the 1959 session of the General Assembly with specific recommendations as to how we can solve some of the problems that face our public schools, and with particular reference to financing.

We recommended and the General Assembly has already passed a reorganization proposal for the Highway Commission. The number of highway commissioners will be cut to seven, and the seven will be responsible for highways throughout the entire state and will not divide the responsibility up among themselves, as has been the case in the past. Secondary road problems will be handled largely on recommendations of county commissioners, made in accordance with engineering standards and criteria set by the Highway Commission. Each county will have an allocation of funds for its secondary road program, based on a formula to be worked out by the Highway Commission. It is my sincere belief that we will, under this new organization, enter a period of greatly improved highway administration.

Speaking of the Highway Commission, we also recommended and the General Assembly has adopted a plan for the separation of the prison system from the Highway Commission. Although the financing of the prisons must continue to come from the highway fund under the new proposal, at least for the time being, the actual, full separation is a great step toward improved administration. It is imperative that the prisons be operated as a separate and autonomous unit which will enable the people of the state to realize and see for themselves just what goes on and how much it costs to operate prisons. Only in this way can the people themselves be concerned enough to insist on and support modern programs of rehabilitation to cut down on the number of people who return to our prisons year after year.

Another far-reaching piece of legislation, which we have recommended and which the General Assembly has passed, is one which creates a new Department of Administration. This department will combine the functions of the present Division of Purchase and Contract and the Budget Bureau. It will also provide a much-needed system for control of the state's real property and will include a long-range planning division.

These are some of the major items which we have recommended in our legislative program this year. There are others of equal importance, such as the minimum wage law, which is at this date only half-way through the General Assembly, having passed the Senate day before yesterday by a majority of forty-three to four. I will not take up the time tonight to discuss the program fully, but I thought that you would be interested in hearing about a few of these items.

I am grateful for the wonderful support and understanding which our program has received from this session of the General Assembly. We have had excellent leadership from the President of the Senate, the Speaker of the House, and from many committee chairmen and other members.

A correspondent for the Greensboro *Daily News* wrote the other day: "Few sessions in modern times have handled legislation bringing more sweeping reform in state government. There has been a chorus for years, clamoring for the complete separation of prisons and highways, which has only now been finally accomplished. The reorganization of budgeting and purchasing seems a long step toward streamlining our antique ways. The coming shuffle in the Highway Department promises a virtual new day."

The passage of a legislative program as comprehensive as the one we are seeking is necessarily a long and involved process. Some times it seems even tedious. It has been said, not altogether in jest, that action requiring the agreement of the majority of

170 legislators, a large portion of whom are lawyers, is necessarily a tedious process. Speaking of securing the agreement of lawyers, I am reminded of a story someone told me recently about a courtroom incident involving lawyers. It seems that a judge had set aside a particular day of the court term exclusively for the hearing of motions, but for some unexplained reason one lawyer had failed to understand the schedule and showed up on this particular day with his client to try a case. On being informed that that day had been reserved for the hearing of motions, the lawyer explained to the judge that his case was really a very simple one and rather non-controversial. However, it did require a jury, but if the judge would agree to try the case it would only take a few minutes and he could call a jury of the lawyers present. The judge, on being assured that disposition of the case would take only a few minutes, agreed to this and commandeered twelve of the lawyers sitting in the courtroom to serve as a jury to determine the facts. The lawyer presented his material, and as he had said it took only a few minutes. The judge then excused the jury and told them to go out and bring in a verdict. Time passed and finally after several hours, the judge, having reached the limit of his patience, sent a messenger into the jury room to ask if the jury had reached a verdict. The messenger came back and reported to the judge as follows: "Judge, those lawyers told me to tell you that they not only had not reached a verdict, they had not even elected a foreman."

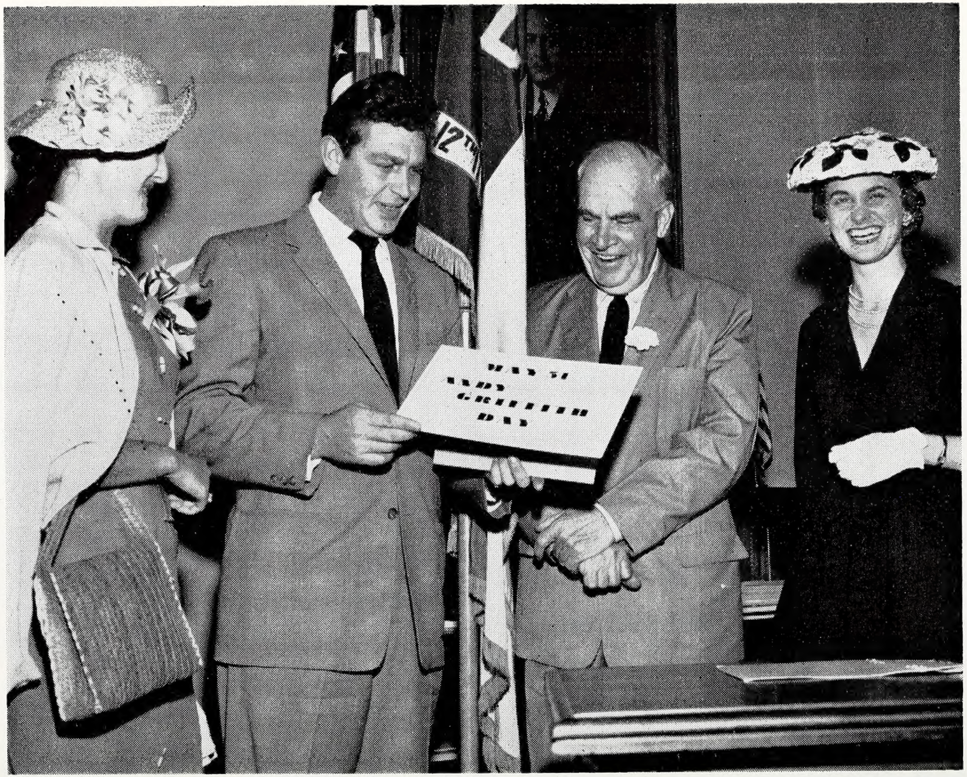
So, you see, securing the agreement of a large number of people, the majority of whom are lawyers, is not an easy task.

More seriously, let me talk for just a very few minutes about the role of the lawyer in our society. As a businessman of many years' experience, I have always been aware of the great demand for good lawyers and the worthwhile service which they can render individual clients. More recently, as governor of North Carolina, I have become even more aware of the importance of the lawyer's role in the management of public affairs. Theirs are key minds in legislation and in many movements which are dependent on intelligent reasoning powers for success.

Traditionally, lawyers have been leaders in government, and this is as it should be because they are trained to know and to understand the law. After all, law and government are almost

News and Observer Photo

Former President Gordon Gray, Governor Hodges, William C. Friday, and former President Frank P. Graham at ceremony inaugurating Friday as President of the University of North Carolina, May 8, 1957.



News and Observer Photo

The Governor designates "Andy Griffith Day," May 10, 1957. *Left to right:* Mrs. Andy Griffith, Andy Griffith, Governor Hodges, Joan Melton of Albemarle, "Miss North Carolina," 1957.

synonymous terms, since both words in their broadest sense have reference to the system by which mankind manages its affairs in an orderly fashion in order to escape the chaos which would result from the clash of interests of individual citizens and groups of citizens who make up our society. Therefore, it is appropriate that during these ceremonies of dedication of your new law building we be reminded of this high calling of the bar.

Adequate preparation of future lawyers for their tasks in life, both public and private, is after all the fundamental purpose of this law school, and this beautiful new building dedicated here today is a means of aiding the school to accomplish its purpose.

Make no mistake about the compelling importance of training good lawyers. Students who graduate from this and other law schools constitute the bar and the bench, and these two branches of the legal profession in the final analysis determine in a large measure what the laws shall be under which all of us, including lawyers, must live. They also, of course, determine in an even greater measure how those laws are administered. I can conceive of no task more vital to the long-term welfare of the state and nation, and indeed the entire world, than the proper training of law students.

You have had in this institution for many years a faculty which is competent to do the job. You now have the building which is needed by that faculty. Given the brains and the building to do the job, the Wake Forest Law School is bound to produce more and more lawyers of the kind of which the state can be proud. I am particularly impressed with a statement which appears in the school bulletin, stating the objectives of your law school as, ". . .not only to train a student in legal principles and knowledge, but also to stimulate his reasoning powers, to prepare him to present legal propositions logically and analytically, and to develop in the student a profound sense of legal ethics, professional responsibility, and the duty of the lawyer to society." All of these objectives are commendable, but I would like to say that in my opinion the most important of them all is that the student be aware of the duty of the lawyer to society.

This is a great day for a great law school. May I extend my very best wishes to all of its faculty and students. I am sure yours will be a grand future.

ADDRESS AT THE TENTH ANNUAL NORTH CAROLINA CONVENTION OF ALCOHOLICS ANONYMOUS

GREENSBORO
May 26, 1957

[This was the second of three speeches made by Governor Hodges on the same day. In the morning he had spoken at the North Carolina State College commencement exercises in Raleigh, and later in the afternoon he would make the commencement address at High Point College. The program on which he appeared at Greensboro climaxed a three-day meeting of Alcoholics Anonymous which was attended by more than 1,000 members of the organization and included workshops, addresses, and various social functions. The Governor's address was delivered before a large crowd which nearly filled the Greensboro Senior High School Auditorium.]

Ladies and Gentlemen of Alcoholics Anonymous:

Thank you for inviting me here today. It is good of you to allow a "civilian" to have a part in your annual convention.

I am deeply concerned with the problem of alcoholism—as every North Carolinian should be—and I am proud of what you men and women are doing to meet the problem for the good of your souls, the love of your brother, and the glory of God as you understand Him. I am impressed with your practical sincerity.

Friends in AA have told me that yours is a selfish program; and that you help others because, in so doing, you help yourself. Well, if that's the way you want it, I won't argue with you. But, if a member of AA, doing what you call "twelfth-step work" is selfish, then so was the Good Samaritan—and that's not the way I interpret the story. But be all that as it may—be you selfish, as you contend; or selfless, as I believe—to you and to Alcoholics Anonymous, North Carolina owes a great debt of gratitude. And because your opportunities for greater service are almost unlimited I believe the state's debt to Alcoholics Anonymous will increase in the years to come.

Let me, as an outsider, point out North Carolina's problem of alcoholism, as I see it.

Experts have estimated that there are about 4,500,000 victims of alcoholism in America. State authorities estimate that we have some 60,000 alcoholics within the borders of North Carolina.

And, I am told that AA's 118 North Carolina groups have a total membership of 2,316. This from a small beginning fifteen years ago when a medical doctor and an engineer started a group in Shelby and a lawyer started a group in Northampton County. In other words, my friends, your field for growth and more service is great indeed. I understand that your membership in the last five years has more than doubled. It is my belief as well as hope that the growth of AA during the *next* five years will exceed even your fondest dreams.

It has been estimated by the experts on the subject of alcoholism that the lives of at least twenty people are affected in some way by the illness of a single alcoholic. Those twenty people may be members of his family, or fellow workers, or just friends. But it is not hard to believe that an average of twenty people suffer to some extent by every alcoholic illness. And if that is so, we can readily see that almost one-third of the population of North Carolina already is affected by this illness which in your case has been so wonderfully arrested.

All of you know, better than I, the untold suffering which alcoholism brings to the individual alcoholic and to members of his family. That, of course, is the worst phase of the illness. But also well worth the public's consideration is the cost of alcoholism in dollars and cents to business, to industry, and to government.

The actual figure of the loss to industry cannot be accurately measured, but industrial statisticians say that in this country the annual cost of alcoholism to industry alone exceeds a billion dollars. Loss of time, increase in accidents and injuries to the alcoholic and his co-workers, increase in waste, increase in disability payments, and the resulting increase in the cost of compensation insurance all go into that estimated billion dollars. These are the tangible costs. But consider also the intangible costs—which can't be measured. I refer to the decreased efficiency of the alcoholic who would be an asset rather than a liability to his company except for his illness. I refer to his impaired judgment, to his slower reactions, and to his loss of ambition and morale. When we consider all these things it becomes apparent that the billion-dollar figure is probably far too low.

It is estimated that the problem drinker loses an average of twenty-two working days per year which is twice that of the normal drinker. But the time lost does not stop there. One of our larger North Carolina concerns which employs a great number of women does not have much of an absentee problem from alcoholism among its employees. But it does have a very real absentee problem caused by the excessive drinking by the husband of the working wife. And though there are no figures to bear out the statement, there is every reason to believe that alcoholism of the parents has injured the school record of many a child, thereby taking the waste of today into the future efficiency of our people.

Colonel William F. Bailey, our state director of prisons, informs me that at least one-third of the inmates of the state prison system were sentenced as a result of crimes associated with drunkenness. That is just another reason why all good North Carolinians should be concerned with the problem. Heaven only knows what is the cost of alcoholism to the taxpayer, but it is my belief that it is even greater than the cost of alcoholism to industry. Alcoholism has played its part in increasing the welfare and relief rolls, in filling our institutions, and in lowering our per capita income.

There is not a man, woman, or child in the state who is not affected, directly or indirectly, by this illness.

There is much talk on all sides about liquor and what to do about it by law. You know far better than I that it is mainly an educational problem affecting the individual, the community, the state, and the nation.

People like yourselves can help a lot in this educational phase, but you have an opportunity to accomplish probably more by dealing with those who get the "disease." In the task of getting accurate information to the public, your individual support of state and local agencies engaged in public education about alcohol and alcoholism can mean the difference in their success or failure.

There is nothing new about the problem of alcoholism, but it is only recently that real progress has been made towards its solution. And for that progress Alcoholics Anonymous is in large measure responsible.

Back in 1934, when a New York stockbroker and an Akron physician founded your beloved fellowship, almost no one thought of alcoholism as a disease. The alcoholic was generally believed to be a weak-willed, irresponsible individual for whom little could be done. But Bill and Dr. Bob, struggling first with themselves and then with other alcoholics, laid the groundwork for our modern concept of alcoholism as an illness. As more and more alcoholics regained sobriety through Bill and Dr. Bob's simple recovery program, the world was furnished with dramatic proof that alcoholics, in large number, could recover. This was indeed a revolutionary idea. It brought the dawn of a new hope to persons already affected by the disease. And more than that, it stimulated the medical and scientific professions and public health agencies in this country to study the problem and join AA in taking steps to combat alcoholism.

Out of the efforts of that group of pioneer AAs has grown a fellowship of 120,000 members, divided into some 4,100 local groups. Out of their dramatic demonstration that alcoholism can be arrested, has grown a whole network of state, community, and private organizations devoted to the treatment and prevention of alcoholism.

So the effect of AA has not been limited to its membership alone. As a result of your leadership, state governments have come to share your concern with the problem of alcoholism. We are proud that North Carolina was among the first states to join you in this work. The state of North Carolina, through its General Assembly of 1949, appropriated funds to the Hospitals Board of Control, making possible what is now the North Carolina Alcoholic Rehabilitation Program. The program finances a treatment center at Butner, North Carolina, operated by the staff of the Butner State Hospital. It further attempts to provide out-patient assistance to alcoholics and their families through clinic services in some of our state's communities.

Equally important in the program's work is its interest in the prevention of alcoholism through education and research. Skilled professionals in the A. R. P. direct an educational program which has generally been recognized as the leading one of its kind in the United States. Finally, this state program is vitally concerned with stimulating and promoting local community resources aimed at the treatment and prevention of alcoholism. It exists as a state agency staffed and equipped to provide the leadership, guidance, and consultation service to local communities, local agencies and institutions to help them develop or improve their own resources in combatting this serious medical and social problem.

Our own state prison system has turned to AA for advice and counsel. The prison's budget proposed for 1957-1959 includes a request for an alcoholism counselor. It would be the job of this person to organize groups of Alcoholics Anonymous in our various prison units and to secure the cooperation of outside groups of Alcoholics Anonymous in keeping these prison groups active and effective.

I would not attempt to estimate how many of the 6,107 persons committed to our prison system during 1956-1957 for offenses related to drunkenness are alcoholics—by that I mean compulsive drinkers. But the percentage may be high. I do know that the only way many of these men and women will ever be prevented from returning time and time again to prison cells is for their disease of alcoholism to be arrested.

I am proud to see that AA has already made a start in our prison system. The record of the Central Prison group of AA has been good. Fairly recently, a second group was organized at Women's Prison. Mrs. McCubbin, the superintendent there, has long been aware of the sizeable number of alcoholics among her prison population. Wanting to do something to help them, she first invited members of our state program staff to conduct a series of educational meetings with interested prisoners. These continued over a six-month period. At the end of this time, the prisoners decided, on their own, that they would like to organize an AA group. For its success and for that of the Central Prison group, much credit is due those dedicated members of AA from Raleigh and nearby towns who each week come to our prisons to work with these groups of prisoners. It is with admiration and gratitude I report to you that some of our best citizens have been engaged in this important work.

Your fine examples of recovery from alcoholism have helped to awaken local communities in our state to their responsibilities in meeting this problem. It is a source of pride for me to note that a number of communities in our state have already organized local citizens committees on alcoholism. The committee here in Greensboro is a good example of what can be done at the community level. I understand the Greensboro program owes its existence in a great measure to the devotion and hard work of members of AA. AAs are active, too, in the other citizens committees in the state.

It is likely that the various state ABC boards will be looking to AA and to our state programs for more help with the job of alcohol education. There is now legislation being considered which would make it possible that five per cent of the profits of all ABC sales can be used for educating the public concerning the effects of alcohol and the illness of alcoholism.

The fact is that the seeds you have sown are now growing all over North Carolina. And please believe me when I tell you, my friends, that your state is grateful.

What you have done for yourselves is wonderful; and what you are doing for your fellow sufferers and for all mankind is even greater.

And so, Ladies and Gentlemen of Alcoholics Anonymous, I salute you—the only set of "selfish" Samaritans it has ever been my good fortune to know.

Thank you.

ADDRESS AT THE EIGHTH ANNUAL COMMENCEMENT OF CHARLOTTE COLLEGE

CHARLOTTE

June 4, 1957

[Charlotte College was the outgrowth of one of a number of emergency stop-gap institutions sponsored by the North Carolina College Conference and the State Department of Public Instruction to provide first-year college instruction for returning veterans of World War II. Subsequently taken over by the city of Charlotte and made into a two-year college, the institution was observing its tenth anniversary in 1957 and was graduating the largest class in its history up to that time. In his address to the forty graduates and others assembled for the occasion, the Governor elaborated his views on the present and future need for community colleges in the state's program of higher education.]

I am glad to have this opportunity to speak to the fine graduating class here at Charlotte College. I commend each one of you for achievements you have made here at this school, and I recognize the sacrifices and the efforts which you and your parents and loved ones have made so that this graduation night could arrive.

I know something about the practical value of the courses you have been taking because I taught for ten years in an evening class. It was a great experience to have a part in bringing knowledge to many people who would not have been able to obtain it elsewhere. I was thrilled at the human interest story of Billy Reed, one of your graduates, in last Thursday's *Charlotte Observer*.

I sincerely hope that all of you will not stop here with your education. This matter of getting an education is something that doesn't stop as long as we have any life in us. It doesn't necessarily require more "formal" schooling. Education has been defined in many ways. It is said to be, for example, the process of filling up, of drawing out, of equipping to make a living, of equipping for life. This last definition is not far from Ruskin's view: "You do not educate a man by telling him what he knew not, but by making him what he was not." Education "makes" a man in the sense of bringing him into intelligent and sympathetic relation with the total life of the race of which he is a member.

You who are graduating are aware, I am sure, of your good fortune in being able to attend a small community college. It offers you the chance to get a good start on your education at a reasonable cost. Here, too, you have found a closeness and a warmth among the students and faculty and staff members not duplicated in large senior colleges and universities. You have been given individual and personal attention by dedicated teachers who are greatly interested in seeing that you make the most of your inherent talents and skills.

You have gained the benefits of an education provided by a college which came into existence almost overnight in 1946. Following the ending of World War II, there was a great demand for post-high school studies; and the North Carolina College Conference and the State Department of Public Instruction decided to sponsor a group of college centers to provide this type of first-year college work for returning veterans. In the beginning, there was a total of 2,765 students enrolled at twelve college centers in the state with 820 of them here at the Charlotte Center. The following year, six of the small centers discontinued operation; and the seventh at Wilmington withdrew when that city took steps to organize its own college. However, the Charlotte Center continued to grow and added the sophomore year. After the third year of operation, the North Carolina College Conference felt that the immediate post-war emergency had passed and voted to withdraw its sponsorship of the college centers.

The Charlotte City School Board was reluctant to let this idea die, and it prompted the City Council to take steps to make the center a permanent college. In 1949, the General Assembly passed a bill authorizing the City School Board to administer Charlotte College as a part of the public school system and to charge tuition. In addition, it set aside $10,000 to help finance the school.

The initiative displayed by the city of Charlotte in saving a worthwhile educational institution is typical of the vitality, growth, progress, and leadership of this great metropolitan area. Charlotte and Mecklenburg have figured prominently in the development of North Carolina and especially this expanding Piedmont area. Its influence is felt throughout the state. May I thank your board of trustees and the city officials who are helping this college to grow and prosper.

I am afraid that many of our young people now in high school look at the high costs of higher education which fall, not upon the state or the church, but on themselves and their parents, and feel a sense of futility in hoping to pursue their studies at a higher level. Intelligence and drive and ambition are not the exclusive characteristics of those who have financial resources necessary to attend college. Often it is the other way around—particularly as regards drive, ambition, and willingness to work. The undeveloped potential of North Carolina youth having severely limited financial resources must indeed be interpreted as a staggering loss to our state.

I believe there are thousands of young men and women in North Carolina who are willing to forego expensive living quarters, student activity fees, fraternities, sororities, and costly social activities in order to concentrate on the study of mathematics, English, literature, languages, science, history, electronics, nursing, teaching, engineering, medical technology, and countless occupational areas which are based upon solid educational foundations acquired in high school. I believe that these boys and girls will place study first. I believe that the future development of our state and our nation will depend in large measure upon those who are willing to place education first and other activities second.

There is one statistic which genuinely alarms me, and it is a statistic which I believe to be reasonably accurate. I refer to the fact that of the 53,727 students enrolled in North Carolina institutions, public and non-public, in the fall of 1956, only 38 per cent were women, and that in state-supported institutions men outnumber women two to one.

The lack of women who enter higher education is a tragic deficiency. It is to women that we must look primarily for the most powerful influence in our state—the influence of home life and environment; it is to them we must look primarily for nurses, for teachers, for secretaries, for countless essential occupational tasks; and we must never forget the scientists, authors, doctors, lawyers, and other professional leaders who have come from the ranks of the fair sex.

I can understand, in these days of high living costs and inflation, why some parents feel that if a choice has to be made, other things being equal, perhaps it is economically more important, at least on a temporary basis, for the son to go to college rather than the daughter. But it is important that both son and daughter go to college—and we must somehow bring higher education within the financial grasp of *both.*

We want *both* our young men and our young women to have these benefits; and this will require that some method be found whereby the costs of higher education to parents and to students can be lowered. And you will note that I am not referring to costs to the state, to churches, and to philanthropic-minded individuals, important though these may be.

Looking at the contemporary scene in education, along with the countless other matters of importance, I see the need for all of our colleges, public and non-public, to thrive and to do so without further increasing the now rapidly mounting costs of going to college.

Do you know that a recent study made in the U. S. Office of Education shows that, for the nation as a whole, the cost of a student going to college—and I mean the cost which the student or his or her parents must provide—is on the average of $1,500 per year in state-supported institutions and $2,000 per year in private institutions?

I am proud of the fact that this is not statistically true in North Carolina—where the cost in each case will average at least one-third less than the national average.

There are countless families in North Carolina who do not have cash incomes of $1,500 per year. Yet, the children from these homes represent a significant portion of the potential leadership and the potential greatness of our state. We simply must not price higher education out of the market. Tuition is a relatively minor factor in the cost which the student must bear. We cannot afford to permit the advantages of higher education to be restricted to the sons and daughters of those who are in favorable income brackets.

In my opinion, the community college offers great hope. If these colleges try to copy the four-year colleges of the nation, they too will become expensive to students and to parents and will fail their mission. On the other hand, if they dedicate themselves to learning—and if they insist that those who attend shall concentrate on this goal—they will set a noble example for some of their elder brother and sister institutions throughout the length and breath of the nation. Do the best job you can here; grow wisely and soundly.

And may I say that when I express a hope that the community college can operate at lower costs to parents and to students, I do not mean that they will be inferior or that they will do an inferior job. Rather does the hope lie in the possibility that, at the freshman and sophomore levels, they will actually do a *better* job; and they can do so if they focus their attention upon *learning* and *study* and fundamentals. You have great possibilities in this area for developing a community college of high standing and of splendid service.

It seems to me that Charlotte College has a very bright and useful future. The community college is a mutli-purpose type of institution. The definition of a community college, as we see it in North Carolina, is:

> an institution dedicated primarily to the particular needs of a community or an area and including two divisions, (1) an academic division offering the freshman and sophomore courses of a college of arts and sciences, and the first or first and second years of a two-year tech-

> nical institute of college grade, and (2) a division which offers a variety of occupational, vocational, avocational, and recreational training programs, depending upon need and demand.

Futhermore, we envisage that community colleges can also serve as sites for extension programs of other state-supported institutions. In this way selected advanced offerings, beyond the sophomore year, can be brought to a community upon the invitation of the board of trustees of the community colleges.

Already, we see developing in the academic division here at Charlotte College freshman and sophomore courses which are parallel to those in four-year colleges and universities. In this division, we also see the development of courses which are found in the first year of technical institutes of college grade. Students in this area who want to take their freshman and sophomore work nearer home can do so at less cost to the state and to themselves. Furthermore, those students in this area who hope to attend one of our two-year technical institutes of college grade can take the first year of the technical institute curriculum here, and then transfer to the second year of Gaston Technical Institute or the second year of another technical institute which is planned at a site yet to be determined.

As you know, it is planned that the two-year technical institutes of college grade are to be operated under the extension division of North Carolina State College.

Already in the occupational division at Charlotte College a number of short-term occupational programs have been offered, and more are contemplated.

I want to call special attention to the contribution which Charlotte College is making by serving as a site for extension courses at levels above the sophomore year, which are offered by the Extension Division of State College. I understand that about 100 students have already taken some of this advanced work on your campus and that these courses have been of great value to industries located in this part of our state. I know that Mr. Smith of Douglas Aircraft is pleased about this and looks forward to an increase in the scope of this valuable service.

To summarize this multi-purpose function which is already in evidence here: Charlotte College students can take freshman and sophomore courses transferable into other state-supported institutions and to a number of private colleges; Charlotte College students are taking courses which permit them to transfer into the second year of technical institutes of college grade where the specialized "options" are available; your occupational division is functioning and short-term training courses are available; Charlotte College is serving as a site for the offering of advanced courses in engineering offered on an extension basis through North Carolina State College.

As we look down through the years, we can see more and more students, according to their individual preferences, obtaining education near home and at lower costs in this useful and important multi-purpose institution. We can see also the occupational division, offering short courses of an avocational, recreational, and general cultural nature, serving as a focal point for a wide range of adult education programs.

You can see, therefore, why I am so pleased that the Appropriations Committee is recommending support for capital improvements and for operating budgets for the community colleges in Charlotte, Asheville, and Wilmington. The appropriations bill includes $1,500,000 for capital improvements at community colleges in these three cities on a matching basis. This appropriation is a lump sum appropriation and sets a limit of $600,000 on the amount which can be allocated to any one community. These capital improvements allotments will, of course, be matched locally; and I am quite sure that Charlotte will go along with the Board of Trustees of Charlotte College and of Carver College in raising funds for matching purposes.

The appropriations bill also provides $202,500 each year for the operation of community colleges on a grants-in-aid basis, payable at the rate of $3.00 per student quarter hour of instruction delivered in the academic division of the community colleges. In its original recommendation, the Board of Higher Education had suggested that the grants-in-aid for operating purposes should be $90,000, $67,500, and $45,000 annually for Charlotte, Wilmington, and Asheville, respectively. This would provide for 667 full-time students here in Charlotte, 500 in Wilmington, and 333 in Asheville. The Appropriations Committee has gone even farther than this by writing into the bill the provision that if more money should be needed for the academic divisions of these community colleges, the Contingency and Emergency Fund, upon recommendation of the governor and Council of State, can provide additions to the specific amount mentioned for grants-in-aid for operating purposes.

You will also be interested to know that the appropriations bill carries provision for a biennial appropriation of $100,000 for Gaston Technical Institute in order to permit it to become a full two-year technical institution of college grade, and that $100,000 has been recommended for the operation of another two-year technical institution at a location yet to be determined.

We are beginning to think in terms of a state system of higher education consisting of (1) a university system; (2) a system of degree-granting colleges; (3) a system of community colleges; and (4) a system of technical institutes of college grade, with offerings sufficiently standardized as regards content and standards to permit appropriate transfer of credits among institutions.

We are only beginning to fill in the details of this broad outline. But of this we feel sure: Charlotte College will play an increasingly important role in our state system and in meeting the ever-expanding challenge which this thriving and dynamic city and area present.

As I look down through the years, I see a state in which learning is respected and in which the effort necessary to acquire it is enthusiastically made; I see a confident people successfully striving to improve economic and cultural levels; I see homes in which parents and children find happy living, in which righteousness and honor and independence, born of our heritage and nurtured in education and precept and example, flourish; I see North Carolinians grasping firmly the opportunities which an ever-advancing technology in agriculture, in industry, and in the professions will provide; I see North Carolina as a pace-setter for our region and for our nation.

The vitality and strength of *this* college, supported by the people of *this* city, will provide throughout the years an ever-expanding influence dedicated to these ends.

Thank you.

ADDRESS AT THE NORTH CAROLINA PRODUCTION CREDIT ASSOCIATION DIRECTORS' CONFERENCE

ASHEVILLE
June 13, 1957

[Governor Hodges was in Asheville for two addresses on this occasion. Earlier in the day he had spoken at a district Rotary luncheon honoring Charles G. Tennent, a local resident, who had been recently elected president of Rotary International. His address in the evening before a state-wide meeting of officers and directors of the North Carolina Production Credit Association reflected the Governor's sustained concern for the state's agriculture and the problems of its farm population.]

Thank you for this opportunity to participate in your state-wide meeting of the officers and directors of the twenty-seven production credit associations in North Carolina.

I want to commend the production credit associations in the state for the splendid service they are rendering our farmers. Just last year, I am told, a total of $32,000,000 was loaned to North Carolina farmers. And a total of $400,000,000 has been loaned to farmers during the twenty-three years these associations have been in operation.

The farmer-owned production credit associations are self-supporting and have contributed substantially to the agricultural progress of our state. There are 36,878 farmers in North Carolina who are members of the association and who own approximately $8,000,000 in capital and surplus in their associations. This is a wonderful record.

You know, we have come a long way in North Carolina in this matter of agricultural credit. Let's look briefly at what has happened.

The first colonists in North Carolina were not bothered with money, banks, or credit. Living was exceedingly simple and barter was used almost exclusively in the state until 1712, when paper money came into existence. Barter continued to be used for many years after this time.

On the eve of the Revolution, Alexander Schaw, a North Carolina loyalist, writing to Lord Dartmouth, said of the monetary condition of the colony: "There is no specie in the province and there never was a person who could command a sum of any consequence even of their paper currency. Nothing in the style of a banker or money merchant was ever heard of."

Moving on to the period following the Civil War, we see North Carolina agriculture handicapped by the destruction of farm property and loss of livestock incidental to the war; by the lack of capital and credit for repairs, replacements, operation, and expansion; by the inadequacies and high costs of transportation; by the temporary but indefensible and perhaps unconstitutional federal tax on cotton; and by the turmoil in the labor system produced by the sudden emancipation of approximately 350,000 slaves.

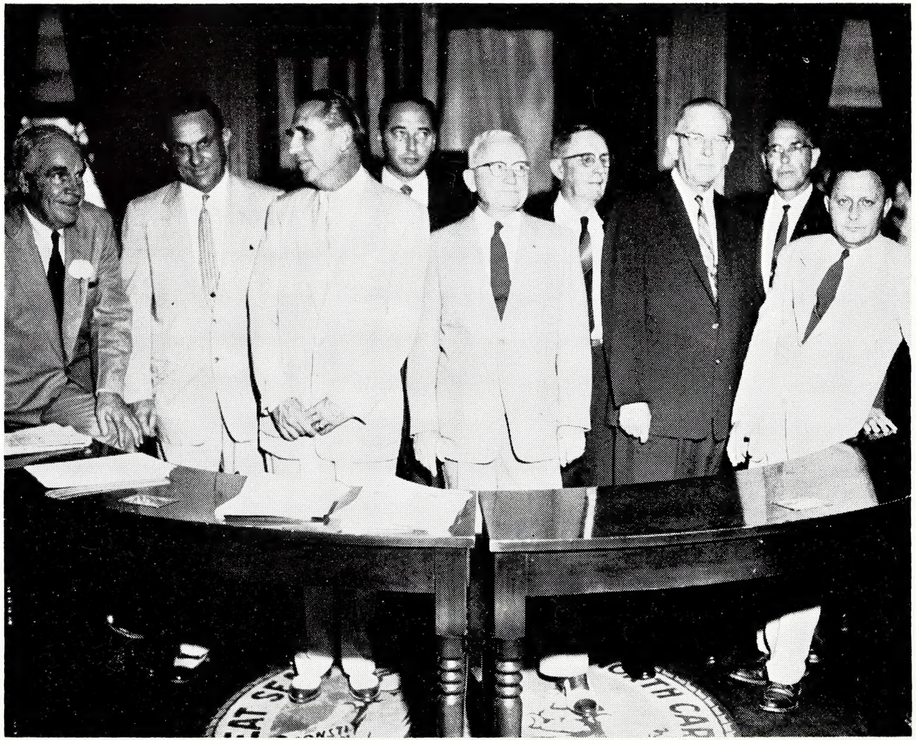
North Carolina and its agriculture emerged slowly and painfully out of the ruins of the ante bellum regime. Share-cropping and the tenant system grew out of the conditions and circumstances resulting from war, destruction, lack of capital, and other hardships.

Exorbitant credit costs kept the farmers in debt. In the absence of cash reserves, credit was absolutely essential to most tenants and farm owners for the financing of the year's operations. Since farm property and crops were considered inadequate security for loans, banks rendered little or no service in extending credit to farmers. However, they were useful indirectly through the local merchants who were the farmers' source of credit. The crop-lien system developed as the characteristic relation between farmer and merchant. *The Progressive Farmer* attributed the one-crop evil partly to the farmers' ignorance and indifference, and declared: "We may join all the farmers' organizations that can be devised, but hard times will hover around the firesides so long as we buy our meat and bread, hay and fertilizers, and other farm supplies, and attempt to pay for them from the proceeds of one crop." Referring to the crop-lien system, *The Progressive Farmer* of August, 1888, said: "It has proved a worse curse to North Carolina than drouths, floods, cyclones, storms, rust, caterpillars, and every other evil that attends the farmer."

During and after the first World War, North Carolina farmers sought to extend and make available better credit facilities by organizing credit unions. They also formed associations for cooperative marketing to obtain more favorable prices. The success of these efforts at self-help was limited. Real progress in credit

Photo by Adams Studio

John Motley Morehead and Governor Hodges at a luncheon following the dedication of the new Solite Plant at Leaksville Junction, June 1, 1957.



News and Observer Photo

The Governor and the new State Highway Commission, June 21, 1957. *Left to right:* Governor Hodges; Ralph Howland, Robert Bunnelle, Fletcher Gregory, E. L. White, J. Lee White, and Cutlar Moore, members of the commission; Harold Makepeace, public contact man for secondary road matters; Willard F. Babcock, director of highways. William T. Joyner, chairman of the newly appointed commission was not present at the news conference at which this picture was made.

facilities, crop control, and higher prices did not come until the United States government came to grips with the national agriculture problem during the 1930's.

Today, there are many sources for agricultural credit, such as your own production credit associations, the Farmers Home Administration, Federal Land Bank, commercial banks, cooperatives, insurance companies, and other lending institutions. However, despite the number and diversity of sources, the credit outlook reflects higher interest rates than have been paid for many years. Much of this results from the so-called "tight money" fiscal policies of the federal government.

The effect of such policies upon agricultural credit is exemplified by an increase in the interest rate charged by the Federal Land Bank from 5 per cent to 5.5 per cent, June 1, 1957. But despite increased rates and tighter credit in general, non-real estate loans to farmers held by banks and federally sponsored agencies have increased by more than 6 per cent for the past three years. The long-term trend has been steadily upward since the late 1930's. Farm mortgage debt totalled approximately $10,000,000,000 at the end of 1956. The trend in farm mortgage debt has been upward since the mid-'40's. One should recognize, however, that, along with the increased borrowings, asset values have increased and farmers' equities have gone up 41 per cent during the last decade.

The future outlook is that farmers will continue to increase their real estate and non-real estate borrowings. Although the cost-price squeeze of the last six years has contributed to this upward trend, the fundamental reason lies in the technological changes taking place within our agriculture. We are replacing manpower with capital, primarily in the form of machinery.

Most of us today are descendants of early rural people, and agriculture is still a way of life and a vital part of our economy. However, great changes have taken place in agriculture in North Carolina and across the nation since early Colonial days as America grew from a string of backwoods colonies into a great nation and great industrial power. With the growth of industry and commerce came vast shifts in our population which have shown steady decline in the number of people involved in agriculture. In 1820, for example, 72 per cent of our nation's population was involved in farming. Since that year there has been a steady decline in this farm population until the 1950 census when only 13 per cent of our total population was farming. The percentage for 1957 may drop to 12 per cent. Our agricultural statisticians predict that by 1980 only 5 per cent of our total population will be engaged in farming or this small per cent is all that will be necessary to take care of production needs in agriculture. This is a trend that sounds disturbing.

This is only part of the story involving the status of agriculture in North Carolina and America today. But it is an important and basic part which we must realize and understand if we are to plan intelligently for the future. May I say that I am deeply concerned about the status of agriculture in North Carolina today and I, with you, value greatly our agricultural heritage and what we have been able to achieve in the way of life which we now have. We are fortunate to have a balance in our population of one-third rural, one-third non-farm rural, and one-third urban. It is my hope that we can strengthen and protect our agricultural economy and lend assistance and encouragement to those who have the ability and persistence to stay with and make their full-time living from the soil.

During each session of the General Assembly there is legislation introduced to help farmers and farm families in various ways. For example, during the session which just ended, legislation was enacted to increase the non-highway gasoline tax refund from five to six cents, farm machinery parts were exempted from the 3 per cent sales tax, and three members were added to the Board of Conservation and Development for the purpose of representing farm marketing and promotion. I supported each of these measures and am very happy they passed.

Recently it was my pleasure to recommend that certain state retirement funds be invested in federal farm agency securities so this money would be available for farm loans. This is an action that has never been done before in North Carolina.

Just what is the present status of agriculture in our nation? Farm income is dropping steadily, while costs continue high, and prices are off sharply. According to one recent survey, American farmers took an average cut of 8 per cent in income in 1953, an additional 1 per cent in 1954, a cut of 3 per cent more in 1955, with a 3 per cent increase in 1956. Net income per farm in the United States has dropped from $2,821 in 1952 to $2,364 in 1956. The fact of the matter is that the farming situation has been getting worse for several years. The farmer today is caught in a cost-price squeeze that is getting steadily tighter. According to the United States Department of Agriculture figures, in 1952, farm costs were up 10 per cent over the 1948 level. In 1954 and 1955, farm costs were 2 per cent below the 1952 level, but farm prices had dropped 16 per cent as compared with the same period. In 1956 farm costs were unchanged from 1955, as were prices received by farmers for all commodities. In view of these facts, is it any wonder that approximately 200 agricultural workers per day are leaving our farms for other employment?

While broad agricultural problems are matters primarily now for federal policies, we in North Carolina believe in doing as much as we can for ourselves. We have here a long-time agricultural program of which we are very proud. It is called the Challenge Program and was initiated and sponsored by the North Carolina Board of Farm Organizations and Agencies, which includes the heads of seventeen farm organizations and agencies working with the farm people in North Carolina. The program was started in 1948 by the state USDA Council and was called the "Farm Program of North Carolina". By 1951, this was known as "The Challenge Program" which was built around the following six objectives: (1) increased per capita income, (2) greater security, (3) improved educational opportunities, (4) finer spiritual values, (5) stronger community life, and (6) more dignity and contentment in country living.

This state program was designed as an outline or blueprint to serve as a guide in developing county programs. In turn, county programs have been developed through the cooperation of all agricultural agencies, farm leaders, and business leaders with these efforts being channeled into four major areas: (1) production, conservation, and better use of an adequate home food supply, (2) ways in which the net farm income can be increased, (3) better family living, and (4) development of better communities.

What has been the result of all this hard work and careful planning? Today practically every one of the 100 counties is participating in some phase of the Challenge Program. My own county of Rockingham has been one of the leaders. Approximately 440 communities in North Carolina have been stirred enough to take part in this program.

All of the organized communities have reported progress in more families producing, conserving, and using an adequate food supply on the farm. All of the counties have reported home and farm improvements in all of their organized communities such as installing running water, bathrooms, electrical equipment, painting their homes inside and out, remodeling their homes, and many new homes built. All of the organized communities have reported such improvements as new or remodeled churchs and community centers, cleaner and better school grounds, et cetera.

I have watched this program with interest for some years and before writing my announcement stating my intentions to be a candidate for lieutenant governor in 1952, I discussed with Dr. Clarence Poe and other farm leaders this specific program. At that time I also said publicly that I wished that our education folks and others representing major segments of our economy and life had the same type of challenge program available. To me, this is a clear demonstration that our rural people believe in their way of life, their communities, their institutions and the part they will play in the future.

As an outgrowth of the Challenge Program has come another specific approach to the problem of helping the individual farmer supplement this low farm income. The slogan for this program is "Raise a Square Meal around Home" and the facts involved will probably surprise you. Production for home consumption of vegetables, eggs, milk, and meat can reduce cash outlay for food by over $125,000,000 per year.

Yet it is estimated that 14 per cent of North Carolina farmers grow *no* vegetables for home use, 50 per cent of North Carolina farms have *no* milk cows, 24 per cent of North Carolina farms have *no* laying hens, 42 per cent of North Carolina farms have *no* cattle and 31 per cent of North Carolina farms have no swine. Also, many of the families that had a vegetable garden or some other method of home food production did not have adequate facilities to do the proper job of giving their family a good diet.

Since the average family in the United States spends around 25 per cent of its income for food, it is estimated that farm families in our state spend around $275,000,000 per year for this purpose. Much of this expense could be saved by farmers producing a larger share of their own food supply. Other surveys show that one out of every five people on farms in our state is underfed from from a nutritional standpoint. Yet we know that families, and particularly low-income families, will eat more nutritious food when it is readily available. A plentiful supply of home-grown food would mean a better diet for all.

This campaign by the Agricultural Extension Service of North Carolina State College makes sense to me. We have the resources available at relatively little cost. There are plenty diverted acres of land, plentiful labor and especially large-sized families with low incomes. Very little capital is required and there is plenty of know-how furnished by county agents, home demonstration agents, vocational teachers, FHA, SCS, and ASC workers.

There is so much that we can do in agriculture with proper planning, know-how, and cooperative effort. We need to move forward with adequate livestock, hogs, poultry, and turkey programs on farms where adapted. We have all seen small farms, and counties for that matter, where income rose sharply when livestock was added. With our growing population, there is no reason why our farmers could not produce most of the foodstuffs needed by our own people. Gross income from livestock and livestock products in North Carolina for 1960 amounted to $261,495,000, with the greatest bulk of this income from dairy products, hogs, eggs, broilers, cattle, and calves.

Our farmers have in their hands and their care one of our greatest natural resources—our productive soil. You have heard the expression that "They are not making any more land these days," and this is true. As for new soil, scientists estimate that it takes rock about 400 years to disintegrate into one inch of soil. We must protect and preserve our soil and its fertility for future generations to come. North Carolina has been a pioneer in soil conservation practices and we must keep pace with increasing needs.

Only in recent years have we realized the growing scope of the water problem and how vital a partner it is with the soil, forests, and wildlife. Water, to most of us, is so commonplace that we have tended to pay little attention to it. Yet, next to the air we breathe, it is the most essential material we use. It directly sustains all plant and animal life. Farm crops are tremendous users of water. The demand is highly seasonal, intensifying the shortages as the peak demand comes during the hot summer months when most other demands are at their peak.

The soil is really a reservoir which stores water between soil particles. Most of our rainfall can be stored by soil particles or used by our forests and other vegetation. Some rainfall emerges as cool springs—as "leaks" in the huge reservoir. If the rainfall runs off the land, instead of soaking in, the soil reservoir gradually loses its water. Proper care of our forests and woodlands is of major importance since they actually act as a sponge to absorb rainfall and help store it for future use. Destruction of forests by fire, insects, or stripping helps produce a high run-off, floods, and erosion.

Forests also constitute another great undeveloped and neglected source of income for our farm population. It is a fact that timber production is the predominant form of land use in North Carolina. About 58 per cent of our land area is in forest, with about half of this forest area classed as farm woodland. Yet much of our forest stands have been misused since Colonial times. We have treated the forest like a mine rather than as a crop, taking what was wanted with no thought of perpetuating or improving the stand of timber. As a result of such thoughtless practices, about 4,000,000 acres or 22 per cent of our forest area is not properly stocked and over 1,000,000 acres need to be planted to return it to a productive state. Good forest management—and we have all the know-how—could easily double or perhaps treble the growth, the annual cut, and the annual value of forest products. I have said before that our forests could become our most important crop.

In closing, may I say that the many charges and counter-charges concerning our national agricultural policies should not cause us to lose faith in agriculture or the worthwhile federal programs which have served North Carolina so well for many years. Mistakes have been made, of course. The same has occurred in every field of endeavor and every federal program. We must continue to work together in the best interest of the nation and its farm people. Agriculture is a basic part of our economy—state and nation—which must be protected, preserved, and strengthened.

I want to express my appreciation to your officers and directors for the splendid work you have done and thank you for the privilege of being here with you.

A REPORT TO THE PEOPLE OF NORTH CAROLINA

OVER STATE-WIDE RADIO-TELEVISION NETWORK

June 21, 1957

[Originating at Raleigh and carried to all parts of the state by radio and television, this address reviewed the work of the 1957 General Assembly which had recently adjourned. The Governor commended the legislators for raising the salaries of teachers and other state employees, for approving a reorganization of the State Highway Commission, and especially for authorizing the new allocation formula for corporation taxes. As on numerous other occasions, he reiterated his belief that the new tax formula would result in bringing more industries into North Carolina and thereby increase the state's per capita income. Along with his enthusiastic appraisal of the major actions of the 1957 session, he also expressed disappointment at the Assembly's failure to effect legislative reapportionment and to adopt a minimum wage law.]

Good evening:

The television and radio industries have once again generously made available their facilities to enable your Governor to report to you, the people of North Carolina, on the affairs of this great state. All of us owe a debt of gratitude to the fine citizens who own and manage these communication media whereby state government and its workings can be brought closer to you. I deeply appreciate their cooperation and generosity.

Talking to North Carolinians about North Carolina is one of the finest pleasures I have as governor. I brought to this high office, of course, a deep and abiding love for our state and its people. This love and my faith in North Carolinians and in our state has increased as a result of some two and a half years in office. I have felt your great strength in support of things I have proposed. I have felt your displeasure at things of which you have not approved. I have welcomed both and will continue to do so. To feel the vigorous reactions of a strong people is a great support in itself—yes, even in those instances when that strength is against some proposals I have made. We can have faith in our state and its future so long as this public consciousness remains alive and you as citizens continue to be acutely aware of where your government is going and where you want it to go.

The occasion for this report to you tonight is the completion of another session of your General Assembly. Laws have been enacted to implement our state's program through which we can hope to continue, and indeed accelerate, North Carolina's forward march to a better future. My discussion tonight will be principally concerned with some of the more important actions taken by the General Assembly and what I believe will be the effect of these laws on the state and its citizens. Before talking of specific items, however, I would like to say that in my opinion the 1957 General Assembly consisted of high grade, hard working, foward looking citizens, who took their responsibility seriously and, in accordance with the dictates of their own consciences, represented you, the people, to the best of their abilities. They did an excellent job and compiled a record of which North Carolinians of the present and the future can be proud. One of the state's leading newspapers stated editorially the other day, and I quote: "More than any legislature in several decades the class of '57 was constructive, energetic, fair-minded, and forward looking." With this evaluation I am in complete agreement!

North Carolina's government is big business. It spends a lot of money. We have approximately a billion dollars appropriated for expenditure from July 1, 1957, through June 30, 1959. We have 77,500 employees, and the list is growing. Last year we employed some 34,000 teachers, 10,000 highway employees, and 32,500 others.

Based on present salaries—that is, before the new raises have been put into effect—it takes approximately $4,500,000 to raise the salaries of all employees just 1 per cent. Thus, you can understand why a 15 per cent raise for teachers and an 11 per cent raise for other employees amounts to a cost of $58,500,000 for the next biennium, plus another $4,000,000 for retirement benefits.

In attempting to report to you what I believe to be the effect of some of the major actions of the 1957 General Assembly, it will be necessary to examine some of the things the General Assembly did not do and which I believe should have been done. My later discussion of these relatively few failures will not be for the purpose of being unduly critical. Rather, I do so in order that you, the people, can begin now to consider these issues more thoroughly and let the candidates for the 1959 General Assembly know how you feel about them. It may well be that in refusing to accept certain proposals your legislators were accurately representing the feelings and wishes of the people of this state. It may well be, however, that legislators did not know your feelings. This means you must share responsibility.

But let us speak first of some of the very worthwhile things that the 1957 General Assembly did.

The adoption of the change in the allocation formula by which the taxable income of businesses having operations in more than one state is measured for taxation by North Carolina is, in my opinion, the most important action taken by the 1957 General Assembly for the over-all and long-range good of the state's economy. There are a few people who have attempted to label this change in our tax laws as a "give-away" to the big corporations. I cannot emphasize too strongly that it is not a "give-away," either in fact or in spirit. Our old allocation formula has been harsh and drastic and has placed us in a position of having to tax unfairly businesses which operate in more than one state. The change which has been made merely makes our formula similar to that used in the majority of other states which levy corporate income taxes. And I remind you that in a so-called "give-away" contest, North Carolina would still be out of the picture in attracting industry, since many states do not levy *any* corporate income tax. And our effective income *tax rate* on corporations remains as high as any in the nation. I have repeatedly said, and I still believe, that good industry and the kind we want in North Carolina does not mind paying its fair share of the taxes for the services the people need and want. Industry does, however, demand—and can receive somewhere else, if not here—fair treatment. The change in the allocation formula, which has just been made, puts North Carolina in the position of offering the required fair treatment.

Those who complain of a "give-away" program seem determined to divide our people into classes by asserting that the welfare of the so-called "little man" has been ignored while favors are being extended to the so-called "big man." Let's look at some of the provisions of the new revenue act which have not been talked about a great deal but which are important to many thousands of individual North Carolinians:

The 3 per cent sales tax has been removed from farm machinery parts; farmers and other non-highway users of gasoline will receive an additional one cent per gallon refund; small farmers, small business proprietors, and wage earners who supplement their income from other sources—totaling more than 11,000 persons—will enjoy a $650,000 tax reduction as a result of an extension of the standard deduction privilege. In addition to these changes there are many revisions in the rules which govern filing and taking of deductions which will benefit individual income tax payers. It is good that so many of our citizens will receive tax benefits under the new revenue laws.

The purpose behind my strong recommendation of the change in the allocation formula has been in the interest of attracting new industry to the state, and equally as important, in the interest of keeping the industry we already have, and of providing more jobs to give more money to more people. What has not been as fully explained perhaps is why it is so vital that we accelerate our industrial development in North Carolina during the critical years ahead.

We don't seek industry merely because we prefer an industrial economy to an agricultural one. In fact, all other things being equal, it is probable that the great majority of North Carolinians would prefer that our state remain an agricultural one with an economy based on small individually owned farms. But we must recognize and be willing to look squarely in the face the fact that all other things are not equal. North Carolina stands forty-fourth in the nation in per capita income. Approximately one-third of our people are dependent on agriculture for their income, and the plight of agriculture is growing steadily worse. We need better schools; we need to pay our teachers more; we need a better hospital program; we need a better welfare program; but, above all, we need jobs, well-paying jobs for our citizens. Without those jobs, we can never hope to raise sufficient public revenue from taxes to provide the services we must have, if we are to continue to go forward. The 11,500,000 North Carolinians who depend on agriculture for a living have a per capita income of less than $500 for the entire year. We must then, and I emphasize the word *must,* provide job opportunities in other kinds of work for these people who are now struggling for a living on unproductive and uneconomical small farms.

Let those who criticize our efforts along these lines prove their sincerity by suggesting some better way of promoting the welfare of North Carolina. If they have any such suggestions, I shall be among the first to give them enthusiastic support.

The change in the allocation formula was a courageous and far-sighted action on the part of the 1957 General Assembly, and the people of this state can be proud of those members who voted and worked for its passage.

Immediately following the enactment into law of the new tax formula a $40,000,000 titanium project was announced for North Carolina—to be located near Wilmington. The new company held its decision pending the action on the tax matter. In the last forty-eight hours the R. J. Reynolds Tobacco Company of Winston-Salem, with its facilities here in North Carolina, but with sales in many states, has announced a very large manufacturing expansion program through a new factory because the new tax program made our state competitive with other states which were being considered by the company for location of this new facility. One of North Carolina's oldest and most respected corporations, Cone Mills, which had considered moving its charter to Delaware to achieve lower taxes, has decided to remain here.

I earnestly hope that all of us, working together, can help build our state so we can offer more work opportunities at higher pay for our people.

Further evidence of the forward looking character of the recent General Assembly may be found in the pay raise which was voted for school teachers and other state employees. The state demonstrated through its legislature not only its willingness but its determination to do everything within its power to provide for the proper education of its children. The 15 per cent raise for teachers, added to existing salaries, means that the average annual pay for school teachers in North Carolina will be $3,644.80. Added to this average annual salary is $275.30, contributed by the state annually, for retirement. For nine months work, this amounts to $20.25 per working day. The 1.09 per cent which caused so much talk in the House of Representatives will, if it becomes available (and I hope it will become available), add approximately twenty cents per working day.

Speaking of the additional 1.09 per cent for teachers' pay, I cannot help but comment on the inconsistency of the House of Representatives which was so concerned about adding twenty cents per day to the wages of citizens whose salaries were already raised to $20 per *day,* but would not take the necessary action to pass a minimum wage law for the benefit of citizens who in many instances make no more than $20 per *week.*

Returning to the question of pay for school teachers, let us make more comparisons. With the 15 per cent raise, the average teacher's salary in North Carolina is higher than the average teacher's salary in most of the other Southeastern states during the last school year. A glance at this chart shows that Florida is the only one of these states paying higher salaries. Considering the fact that we stand so low in per capita income, this comparison speaks well for North Carolina. Looking at teacher pay in the wealthier states, however, reveals that the 15 per cent raise will not make us competitive with such states; nor will the additional 1.09 per cent, if it becomes available—nor, in fact would the 19.3 per cent recommended by the State Board of Education. States such as New York, Pennsylvania, Illinois, and California, can hire our teachers away from us because they can afford to pay much more than we can with our per capita income being forty-fourth in the nation. It is my most emphatic opinion that so long as over 95 per cent of teachers' salaries continued to be paid at the state level, teacher pay in North Carolina will never be truly competitive or adequate. By saying this I do not mean that the state should do less in its support of our schools. What I do mean is that local communities as a whole must do more. This may mean less for some communities, more for others. It can be clearly established that counting all costs, including buildings, some counties are paying more for school support than they can afford. Others are not doing nearly what they could and should do to help support their schools.

The General Assembly has wisely provided a study commission to look into this entire area of public school financing, and it is my sincere hope that this commission will have ready for the 1959 General Assembly a program which will give our schools and our teachers adequate financial support and one which will receive the enthusiastic approval of the people of this state.

Turning now to other accomplishments of the 1957 General Assembly, we find the enactment of legislation recommended by a distinguished study commission which drastically reorganizes the Highway Commission. This reorganization amounts to a highly significant change in our approach to building highways. Primary roads will be handled completely on a state-wide basis and without regard to division lines. So-called "county roads" will be paved and maintained on the basis of "standards." No longer will an individual commissioners have the "yes-or-no" say-so with respect to which roads will be paved in his district and which will not. Instead, the county commissioners and the highway engineers will decide on the basis of published standards which roads will be paved or improved and which will wait.

Let me use this map of North Carolina as a means of explaining the change in our approach to building and maintaining highways. As you can see, the state has been divided into fourteen highway divisions. In the past, each of the fourteen divisions has been represented by a highway commissioner. Highway funds have been allotted on a division basis with a certain amount of money to be spent in each division. The spending of this money in each division—that is, where, how, and on what roads—has been generally up to the individual commissioner representing his division. The authority of the individual commissioner has been so great that in many instances some of the commissioners have referred to the money as "my money." As many of you already know, through the years there have been commissioners who took particularly good care of the roads in their own counties. In fact, I have heard it said, not altogether facetiously, that you can look at the condition of the roads in the 100 counties in this state and tell with reasonable certainty which counties the highway commissioners have come from.

Under the new organization of the Highway Department, we will have seven commissioners, and none of them will represent any particular division. All will represent the entire state. The old fourteen divisions will continue for engineering and administrative purposes, but they will be under the control of the State Highway Department and not under the control of individual commissioners. The commission itself—all seven of its members acting together—will be a policy board or a sort of board of directors under which will be an executive officer called the director of highways. Policies, standards, and general rules and regulations will be formulated by the full commission. Primary road planning will be done on a state-wide basis by the director and his staff, subject to the seven man commission. Secondary roads will be handled on the basis of standards established by the commission. For construction and maintenance of secondary or county roads, money will be allotted to the counties, and the division engineers, working with the county boards of commissioners, will handle the rural road program for the counties in accordance with these standards. Everybody will be treated alike if the system is followed.

We appointed today a top-flight man as a contact man with county commissioners and other local groups and individuals to help work out this rural program by explaining it to the public.

It is my conviction that North Carolinians, even those who may not get their pet projects taken care of, will support a system of road building operated in this fashion so long as they are satisfied that all requests having to do with roads are decided on the same basis without favoritism or political bargaining. Further, I believe that the people as a whole are anxious that we handle, on a business basis, the spending of $390,000,000 in the next two years. I ask all of you to give us a chance to work out the new "statewide" organizational set-up. A reorganization this large, this important, takes time and patience.

Other important reorganization measures which also came largely from study commission recommendations, but which may not be so quickly felt by the general public, are the creation of the Department of Administration, in which many of the state's administrative services can be consolidated; the separation of the prisons from the Highway Commission; and the creation of a Division of General Services with central motor pool facilities.

Other very worthwhile measures include a driver-training program in our public schools; a work release law to permit selected prisoners, convicted of minor offenses, to continue working at their jobs while serving their sentences; a much-needed urban redevelopment law to encourage slum clearance and hurricane rehabilitation; protective laws for the preservation of the Outer Banks, and others too numerous to mention. The General Assembly also authorized several study commissions to look carefully into several important problems and report back to the 1959 session. Among these are: a commission to study the constitution of our state and submit recommendations for its modernization and improvement; as already mentioned, a commission to study the financing of public schools; a tax study commission to continue studying the problems not covered by the previous tax study commission; and a commission to continue studies of reorganization of state government.

As impressive as is this score of good legislation, the record is not without its blemishes; and these too must be considered. First in importance, it seems to me, is the failure of the 1957 General Assembly to reapportion its membership as required by the constitution, or as recommended by the several bills which were introduced on the subject. Legislators who refused to obey the mandate of their own constitution do not present a pretty spectacle to the people of their state who are required upon pain of fine and imprisonment to obey the laws passed by the *legislature.* If the method of reapportionment contained in the present provisions of the constitution is unfair, then the constitution should be changed. But from the record of the 1957 General Assembly, it is obvious that that is not the real objection. The real objection is fear on the part of the representatives from some of the smaller counties, that the people in the more populous counties will exercise more control than they now do. It is, of course, true that if the people of the more heavily populated counties are allowed adequate representation, they will theoretically exercise more control; but I have never understood it to be a principle of democracy that we should be afraid of the control exercised by the people. It is indeed regrettable that a legislature which made such a fine record in most all other aspects, should have failed on this particular subject. I hope we will do better in 1959.

The next most important failure of the General Assembly this year is, in my opinion, its failure to adopt a minimum wage law. Votes on procedural questions in the House reveal that had the issue been put to the entire body of the House, it would have had a majority. As you know, the minimum wage bill had already overwhelmingly passed the Senate. Members of the committee to which the bill was assigned in the House were able, by a procedural device, to bottle up this legislation and prevent its being presented to the entire membership.

There has been some suggestion on the part of some people that the governor's office did not give its full support to this legislation. I want to say to the people of this state that those assertions are false. Indeed, the governor's office devoted as much time to the support of the minimum wage legislation as to any other bill presented to the General Assembly. It is my sincere hope that in the 1959 General Assembly a minimum wage law will be passed.

Looking at the over-all record of the 1957 General Assembly, it seems to me that in spite of those few failures which I have mentioned, there can be little doubt that this General Assembly well deserves the grateful appreciation of all of us for its vigorous and constructive handling of the public business in the public interest. Quoting from another of our great daily newspapers: "The General Assembly left North Carolina in far better condition than it found it, and that is the ultimate test." With this evaluation I also agree!

May I thank you for listening to this brief summary of the highlights of your General Assembly and for your many letters about various pieces of legislation which were being considered. North Carolina will move forward to her rightful destiny as her citizens support and encourage good government.

Good night.

ADDRESS AT THE MOREHEAD CITY CENTENNIAL

MOREHEAD CITY
August 10, 1957

[John Motley Morehead III was scheduled to speak on this occasion but was detained in New York by illness. The event climaxed a week-long celebration of the one-hundredth anniversary of Morehead City. The Governor addressed a large crowd from a reviewing stand which had been erected on the city's busiest street and from which he later witnessed an hour-long parade of bands, floats, and military units. His speech was another in a long series of efforts by the Governor to induce the Southern Railroad to proceed with the authority given it by the Interstate Commerce Commission to acquire operating rights to the old "Mullet Line," or Atlantic and North Carolina Railroad, which is owned by the state and was being operated at this time by the Atlantic and East Carolina Railroad. Control by the Southern would fulfill Governor John M. Morehead's dream of an east-west railroad from the coast to the mountains and in the opinion of Governor Hodges and others would greatly benefit the economic future of the struggling port of Morehead City.

In introducing the Governor, Mayor George W. Dill likened him considerably to Governor Morehead, but Governor Hodges modestly admitted to only four similarities: that he was born in Pittsylvania County, Virginia; that he was reared in Rockingham County, North Carolina; that he attended the University of North Carolina; and that he became governor of the state.]

I am happy indeed to be here with all of you today as you conclude a week of centennial festivities. I regret very much that my good friend, John Motley Morehead, III, grandson of the first John Motley Morehead who founded Morehead City, is unable to be with us on this memorable occasion.

I am much impressed with the motto on your program: "A Little Bit of Heaven Since 1857." Evidently more and more people each year are traveling to Morehead City so that they may enjoy a little bit of heaven on their vacation. It is always good to get down here and share in your pleasant and refreshing way of life.

Morehead City is to be commended for the tremendous progress it has made in the past 100 years. Why, we wonder upon such an anniversary, did Morehead City succeed? What, in fact, makes any city succeed—while others fade away into obscurity?

We know that such factors as location, transportation, communications, commercial trade, fertile land, abundant water, and industrious people are vital to the success of any municipality.

Morehead City has managed all of these, in spite of handicaps, and then some.

One of the great factors in the growth of a community involves leadership and vision. Morehead City had this in the person of its founder, John Motley Morehead. In 1853 Morehead envisioned Morehead City as the eastern terminus of a railroad which would link together the vast expanse of our beautiful and undeveloped state. In the vision of Morehead, the North Carolina Railroad, terminating at Morehead City, was not only to tie together in travel and trade the eastern and western sections of the state and through the new seaport here the seaways of the world and the great interior waterways of the American continent, but it was also to connect with the turnpikes and railroads soon to be built from north to south, across eastern America from Boston to New Orleans.

Most of you are familiar with the story of how Morehead, in 1853, saw that the logical place for the railway's terminus was Shepard's Point, on down closer to the inlet than Carolina City, which had just been laid out by real estate promoters. On the narrow peninsula forming the point he bought 600 acres of land. Four years later, in 1857, he began selling off lots. Carolina City did not succeed but Morehead City became a reality.

It has taken nearly a century for Governor Morehead's dream to come true. The Civil War came, the modest port terminal deteriorated, and for a long time the principal freight of the new railway was mullet. Down through the years various efforts to rebuild the terminal were tried and failed until a port authority was named in the Governor Cherry administration and a port bond issue voted in the Governor Scott administration. Now, the new transportation facility is well on its way to prosperity. In the near future, we sincerely hope, is the transfer of the old Mullet Line to the Southern Railway.

John Motley Morehead was born on July 4, 1796, in Pittsylvania County, Virginia, of John and Obedience Motley Morehead whose father served as a captain under Washington in the French and Indian War and whose six brothers served under Washington in the Revolution. Morehead was brought by his parents as a two-year-old child to their new home in the fertile land of Rockingham County, North Carolina, in 1798.

Like many young men of his day, he attended the University of North Carolina at Chapel Hill. It was here, quite early in the last century, he developed an association with other young men who were to become governors, judges, members of presidential cabinets, senators, ambassadors, preachers, teachers, agriculturists, manufacturers, builders, and leaders of the people in many southern states.

As an instructor at Chapel Hill, Morehead taught many future leaders, including William Mercer Greene, one of the founders and chancellors of the University of the South at Sewanee; Robert Hall Morrison, one of the founders and first president of Davidson College; and James K. Polk, first honor man of the Class of 1818 and later President of the United States. Morehead respected Polk since Chapel Hill days but campaigned against him in support of Henry Clay, as Whig party favorite for President.

Ahead of his time, Morehead spoke out—more than a century ago—for the freedom of the mind, the freedom of enterprise, and the unfettered equal opportunity for the people of our state. When fighting for equal representation in the legislature for the people of the more heavily populated western counties, he was reminded by the opposition that in Virginia, the home of Thomas Jefferson, no person was allowed to vote or hold office who was not a freeholder of real property. Morehead replied in substance that while he esteemed the character and achievements of Virginia and highly respected and felt veneration for her great leaders, he shuddered to think that the poor freemen of his state should be excluded from the legislative councils of the country. To whom did this country belong, anyway, when it burst the British fetters and became independent? It certainly belonged to the whole community and not to the wealthy alone. Why then, he said, should the people be deprived of any privilege for which they jointly fought and to which they are justly entitled?

A large slaveholder himself, he was opposed to both slavery and to reckless abolitionism, and he favored gradual and responsible emancipation. Opposed to secession, he tried with other moderate leaders, North and South, to save the Union; but he cast his lot with the Confederate States against northern aggression in the invasion of the southern states.

He fought against unequal representation, against the poverty, illiteracy, and isolation of a people devoid of highways, railroads, waterways, and seaports, and therefore, without advanced agriculture, trade, and industries upon which depend the free enterprise and prosperity, the enlightenment and culture, the opportunity and progress of a free people.

As builder, as leader of the Whig party, as trustee of the University of North Carolina for thirty-eight years, organizer and first president of its Alumni Association, as reformer of the state constitution, as governor of North Carolina, as chairman of the National Whig Convention, as president of the North Carolina Railroad Association, founder of Edgeworth, a woman's college in Greensboro, friend of religious dissenters, champion of the equal representation of the people, the right of free Negroes to vote—planter, builder of mills and factories, promoter of highways, railroads and seaports, founder of Morehead City—he was both a prophetic idealist and a practical agricultural, industrial, and political statesman.

A year after the close of the War for Southern Independence, reduced in fortune and in health, Morehead retired to a Virginia home and died there August 7, 1866. He was buried in Guilford County.

Morehead City citizens are justly proud of this noble servant. His dreams continue to materialize for the benefit of eastern North Carolina.

It is interesting to note that John Motley Morehead, III, my highly esteemed friend from my home county of Rockingham, was president of the University Alumni Association exactly 100 years after his grandfather organized it and served as its first president. Of course, all of you, I am sure, are well aware of the varied contributions which the present Mr. Morehead—industrialist, successful businessman, philanthropist—is making to our state and nation by his many benefactions. This past May, I had the pleasure of speaking at Tri-City High School graduation exercises at Leaksville and to participate in the dedication of the new field house, a gift of Mr. Morehead—as was the new stadium and carillonic bells.

On the university campus at Chapel Hill stand the Morehead-Patterson Bell Tower, the Morehead Planetarium, and the Morehead Sun Dial, all gifts of this remarkable man. But probably his greatest achievements lie in the Morehead Scholarship program which he established in 1951. Mr. Morehead recognized so clearly that the future of our nation and our heritage as a free people depends upon the youth of our land. To help prepare, educate, and train young people for future leadership, he has invested $3,000,000 in an outstanding scholarship program which each year enables some thirty or thirty-five young men to secure four years of university training. To date 130 young men have been selected and twenty-six have already graduated. There will be 104 taking undergraduate work at Chapel Hill this fall. Of the twenty-six graduates, most have gone into medicine, law, teaching, and higher education.

So today, we salute and thank the present Mr. Morehead for all he has done and is doing for his fellow man. I am sure we all join in wishing for him renewed health and many more years of happy, useful service.

Another factor in the success of Morehead City is its coastal location. One of its greatest blessings is water—beautiful and beneficent. It brings the Gulf Stream within forty-two miles, greatly modifying the climate and giving the county a growing season of 269 days. The water also brought to Carteret its history, industry, commerce, and the tourist, the latter of increasing importance. It threads the hinterland, bringing the intra-coastal waterway down its middle and along its rim, bearing traffic of growing economic value.

For a time, Morehead City was paced by the commercial fishing industry which has always determined Carteret's course. But over the years, diversity and other progress came. Industry, commerce, and trade moved in and the economy of Morehead City expanded. Highways and bridges brought tourists and sport fishermen, and new business sprang up around them. The short line to Beaufort connected at Morehead with the Mullet Line, and truck farming developed.

It became the headquarters of the Fisheries Division of the Department of Conservation and Development, acquiring a U. S. marine biological station, and summer schools of Duke and WCUNC. With World War II came military installations and a beach boom. Bit by bit the town pushed upward on a multitude of small fronts.

Today, many new industries are moving into North Carolina to join such firms as General Electric, General Motors, Western Electric, Du Pont, Union Carbide, American Woolen, etc. Last year, for example, a total of 147 new plants—employing 9,804 new employees—invested over $50,364,000 in the state, which added payrolls of $25,455,000. During the first six months of 1957, some ninety-four new industries—employing 5,776 new workers—had a total expenditure of $30,103,000, with payrolls of $17,649,000 in the state. These companies require and demand world markets for their goods and world sources for their raw materials, hence Morehead City with its Port Terminal comes vividly into the picture as an outlet to the sea.

Evidence that Morehead City Harbor is important to the state's economy is found in the fact that the deep-water ports handled a total of 393,962.50 tons during the 1957 fiscal year. A breakdown of this tonnage by commodities shows that general cargo—dry—totaled 10,312 tons; grain, 18,435 tons; tobacco, 11,727 tons; liquid cargo (asphalt and fuel oil, fish oil, glycol, and petroleum), 271,055 tons; and military cargo, 82,432 tons.

The most important ingredient in the recipe for a successful city is its people. Morehead City certainly has every reason to be proud of its citizens whose ancestry can be traced back to the French Huguenots, English, Scotch, Irish, Germans, and Swedes who settled along the coast sometime before 1709. This centennial celebration is in itself an indication of what the good people of Morehead City can do. All of you have worked hard to make it a success—just as you are working continuously to make Morehead City a better place in which to live, work, and raise a family.

Today the good people of Morehead City stand on the threshold of a new century and a new era of progress. The progress of the past century has resulted from the dreams of John Motley Morehead and those men and women of vision and courage who have come after him. What happens in the next century will, in large measure, depend upon the contributions of you and your children.

In closing, may I use a quotation from the late President Roosevelt—taken from an undelivered address the day before his death—

"The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."

I wish you Godspeed. Thank you.

MESSAGE DELIVERED AT THE RUMPLE MEMORIAL PRESBYTERIAN CHURCH

BLOWING ROCK
August 18, 1957

[The Governor and Mrs. Hodges were in the mountains of western North Carolina for a three-day visit during August 16-18, 1957. They saw Kermit Hunter's symphonic drama *Horn in the West* at Boone on the night of the 16th and then went to Linville where, on the 18th, they observed the Highland Games and gathering of the Scottish Clans, of which the Governor was an honorary chieftain. On Sunday morning at Blowing Rock he spoke from the pulpit of the Rumple Memorial Presbyterian Church where attendance is increased during the summer by the presence of tourists and vacationers. His remarks, which he entitled "Christianity and Service," were inspirational in nature and typical of those which he made on various occasions of similar character during his career as governor.]

I am happy indeed to have this opportunity of participating in your morning worship service. It is not every Sunday that I have such a rare privilege. I am glad to see so many Rotarians here today at this service which honors all visiting Rotarians of the area. From my own experience in Rotary, I am well aware of the splendid contributions being made by Rotarians all over the world.

Since I am only a Christian layman, I shall not preach to you this morning but simply talk to you on the general topic of "Christianity and Service."

Just recently I was in New York City and heard Billy Graham preach. I was greatly impressed with his sincerity and at the tremendous response he is getting from the people there. I have said before and I say it to you here and now—I had rather be Billy Graham and make the contribution he is making to the religious life of our people than to be the governor of the state of North Carolina or even President of the United States.

Today one of mankind's most insistent needs is the interpretation of religion in terms of service and the attachment of religion's driving power to the tasks of service. One reason why so much of religion's driving power is unharnessed to the tasks of service is man's curious ability to keep divine relationships in one compartment of life and human relationships in another. This is the same as a Sunday Christian, who acts like a different person the other six days. Are we yet beyond the reach of Isaiah's swift and terrible indictment?

> What unto me is the multitude of your sacrifices? saith Jehovah: I have had enough of the burnt-offerings of rams, and the fat of fed beasts; and I delight not in the blood of bullocks, or of lambs, or of he-goats. When ye come to appear before me, who hath required this at your hand, to trample my courts? Bring no more vain oblations; incense is an abomination unto me; new moon and sabbath, the calling of assemblies,—I cannot away with iniquity and the solemn meeting. Your new moons and your appointed feasts my soul hateth; they are a trouble unto me; I am weary of bearing them. And when ye spread forth your hands, I will hide mine eyes from you; yea, when ye make many prayers, I will not hear; your hands are full of blood. Wash you, make you clean; put away the evil of your doings from before mine eyes; cease to do evil; learn to do well; seek justice, relieve the oppressed, judge the fatherless, plead for the widow. (Isa. 1:11-17.)

Here are people who are religious, but their piety does not involve goodness, nor their faith justice, nor their worship humaneness. Their life with God has no connection with their daily relationships; it does not make them better home-folk, friends, neighbors, or citizens. Are not plenty of such cases in our Christian churches today? How many folk believe in God's good purpose for mankind with the religious side of their minds, but never order their practical ambitions as though there were such a purpose in the world! Or with the religious part of their nature they believe that God loves all men, while with the practical side they themselves neglect, mistreat, and condemn men. We still need the advice which was given to David Livingstone by an aged Scotsman: "Now, lad, make religion the *everyday* business of your life, and not a thing of fits and starts."

Perhaps the greatest living example of a man who has made religion the everyday business of his life is that of Albert Schweitzer, the learned jungle doctor of Lambarene, in disease-cursed West Africa. Schweitzer, who is eighty-two years of age, is known as "the world's greatest living man." Nobel prize winner, famed

Protestant medical missionary, theologian, surgeon, musician, author, Albert Schweitzer is above all else a man—a human being of the kind that everyone should be to the best of his or her ability. Like Jesus, whom he admires so much, he has felt love and concern for all mankind and has had the courage to put his feelings into action and to live his life accordingly. Even when a boy, he was able to see himself as an individual amidst all of his fellow beings, to realize that life is a mixture of joy and suffering but that some get mostly joy and more get mostly suffering. He saw himself as part of the brotherhood of man but as an individual with more talent and greater strength than most; and he saw clearly in that bright early morning at Günsbach, his home town in Alsace, what he ought to do.

Many people have known as much about themselves and their obligations on this earth, but only a few of them have had the moral strength and force of character to put all else aside and live according to their convictions. Albert Schweitzer has been one of these and in this twentieth century of ours, his example stands out like a beacon.

Hidden away for forty years in the African jungle, he has become a force for peace, civilization, and culture, primarily because of his personality. He is essentially simple and dislikes the fuss which is being made over him. He belongs to no particular church and has no formal religion, but his feeling of reverence for life and his belief that we are surrounded by more mystery than we can comprehend indicates a deeply religious nature. This combination of reverence and awe, together with his intense awareness of human brotherhood, partly explains him. By itself, however, this would not mean very much. He has made it into *a powerful force, a will to act, so that he has put into practical form all that he feels and believes.* He has acted according to his convictions with a courage and determination which is all too rare. Albert Schweitzer gave up a way of life to which he was dearly attached in order to do what he felt he ought to do, and the fact that he did has given people faith that they themselves have the same capacity to do what they feel is right. By never giving in, by asserting his own faith in goodness, by acknowledging both the mystery and the force of love, Albert Schweitzer has shown that man can be magnificently courageous and that the truly religious man is one who will fight until death for the preservation and well-being of life. More than anything else, it is this figure of a man, standing alone and unafraid, willing to stake all that he possesses, all that he is, and all of his existence in a strong challenge against disease, misery, and cruelty, that demands our admiration.

Because of Albert Schweitzer, many people will, in their own particular individual ways, live better and more constructive lives, inspired by knowing what one man can do.

A recent great editorial, "Think of a Man," by Norman Cousins of the *Saturday Review,* challenges us further along this line:

> You are asked to think of a man. Think of someone, living or dead, whose life has enriched your own. Think back for a moment on the name or names that have given history a forward thrust, a sense of direction, an infusion of important knowledge, an encounter with the beautiful—names connected to great ideas or causes or deeds or works of art.
>
> You are asked to do this because an intimate relationship, all at once, has come to exist between the life of such a man and your own. The turn of events has now made you the custodian of all his works. For it is now in your power—power on a scale never before possessed by human beings—to protect and fulfill those great works and ideas or to shatter them beyond recognition or repair. There is no achievement in human experience, no record, nothing of beauty that cannot now be rescinded and all its benefits and traces swept into void. It is this that distinguishes our generation from all previous generations: we possess total authority not only over our own time but over all the ages and works of man.

The greatest example of service to others is afforded us in the life and teachings of Jesus. Consider the parable of the good Samaritan (found in Luke 10:30-37), or that other more solemn utterance, where the standing of the dead before the throne of God depended on whether they had fed the hungry, clothed the naked, given drink to the thirsty, and visited the imprisoned and sick (Matt. 25:31-46). Consider his sayings, sparks from the anvil where he hammered out the purpose of his life: "The Son of man came not to be ministered unto, but to minister, and to give his life a ransom for many" (Matt. 20:28); "He that is greatest among you shall be your servant" (Matt. 23:11). Consider even more his life itself. In devoted love to individuals, so that, with the whole Kingdom of God upon his heart, he yet poured out his care on a blind Bartimaeus, or a discouraged prodigal, or an evilly treated widow crying for her rights; in the revealing of great truths that bless and redeem human life; in the starting of a movement that with all its faults has flowed like a river down from Nazareth to revive man's character; in the possession of a radiant spirit that throws out light on every side as naturally as the sun shines, so that his very personality has been man's greatest benediction; in that ultimate test of service, vicarious sacrifice, that gives up life itself for the sake of others; everywhere one sees that the characteristic expression of the Master's spirit was ministry. Nor was this ministry expended first upon the amiable and the great. Who can read these lines by the Hindu poet Rabindranath Tagore and not think of Jesus?

> Here is thy footstool and there rest thy feet where live the poorest and lowliest and lost.
> When I try to bow to thee, my obeisance cannot reach down to the depth where thy feet rest among the poorest and lowliest and lost.
> Pride can never approach to where thou walkest in the clothes of the humble among the poorest and lowliest and lost.
> My heart can never find its way to where thou keepest company with the companionless among the poorest, the lowliest, and the lost.

Surely there is little use in any man's calling himself the disciple of such a Master if he does not possess the spirit and know the meaning of service, or the power of the Master to change and influence us. The followers of Allah speak in beautiful poetry of his power:

> The marvels of the starry Heavens, the day that follows the night, the rain that gives life to the dead earth, the ship that sunders the sea, the bird that flies, the horse that gallops, the motionless rose and the still stone, the winds, the clouds, fire, water, the glance of a woman, the smile of a child, the palm tree that bends, the date that ripens, here, O Believers, are the proofs of the power of Allah.
>
> The trees sing of His power, the flowers waft their perfume towards Him.
>
> He is the Lord of the pink morning, the white noon and the blue evening.

Christian service is not simply a spiritual ministry to men's souls—as is clearly seen from studying the life of Christ or of a contemporary saint like Albert Schweitzer. Too often some of us are tempted to conceive of this present life as a short, narrow-gauge railroad, whose objective is the junction of death, where the through express of immortality is met. All questions of comfort, health, and wholesome circumstance upon this present shuttle-train seem negligible. We shall not be here long. To achieve a fortunate immortality is the one absorbing and exclusive aim of religion. But long since it has become evident that the spiritual interests of men are powerfully affected by outward circumstance and daily jobs!

Our job, yours and mine, is to do our daily work with a goal in mind beyond ourselves. In other words, our thoughts plus our actions must reflect unselfishness and service. This can be practiced in any job or vocation—yes, even in public service or politics. I wish I could dispel once and for all the too prevalent thought that one must be devious or dishonest to be a success in politics or even to be in politics. Nothing is further from the truth!

Let us rededicate ourselves to being full-time Christians. That is our heavenly calling in North Carolina and in America today. I challenge each of you to take advantage of every opportunity for service, no matter how small, remembering that Jesus said, "Whosoever doeth it to the least of these, my brethren, doeth it unto me."

ADDRESS AT THE ANNUAL MEETING OF NORTH CAROLINA ASSOCIATED PRESS BROADCASTERS

ON STATE-WIDE RADIO-TELEVISION NETWORK

RALEIGH

September 3, 1957

[This address, although delivered before a meeting of Associated Press Broadcasters in the Elizabeth Room of the Sir Walter Hotel in Raleigh, was in the nature of "A Report to the People" and was carried over a state-wide radio and television network. In his thirty-minute speech the Governor covered a variety of subjects, including appointments and new study commissions, highway and prison administration, efforts to improve the state's economy through the new tax formula and the work of the Department of Conservation and Development in seeking to attract new industrial "prospects," the plight of the tobacco farmer, and in particular, public schools and the racial problem. With regard to segregation the Governor renewed his earlier appeals for voluntary separation of the races in the public schools and also praised the Pearsall plan for the orderly manner in which it appeared to be dealing with the segregation issue. The telecast of the speech originated over WUNC-TV and the broadcast over Station WRAL.]

Good evening, fellow citizens. I am pleased to speak tonight here in Raleigh at the annual meeting of the North Carolina Associated Press Broadcasters who work for various radio and television stations throughout North Carolina which have the Associated Press news service. It is a pleasure to share in your program and to have this opportunity at the same time to speak to the citizens of North Carolina through the courtesy of so many television and radio stations across the state.

Tonight, I should like to talk to you briefly about your state government and how it is getting along in handling the services which you as taxpayers expect it to render efficiently and effectively. I should also like to comment briefly on the opening of our public schools this week and the racial problem.

First, however, I should like to commend our radio and television broadcasters for the excellent service which they have rendered to the people of our state. North Carolina is recognized for having perhaps more radio broadcasting stations than any other state in the nation. It has many pioneer broadcasting stations serving well-defined listening areas for many years, and new ones are being added for increased coverage.

Radio and television bring us entertainment, news, education, and public service programs that literally serve as windows to the whole world. As newscasters, this audience is directly concerned with the great responsibility of bringing the news of the minute, hour, and day to the homes of our people. Although television is a virtual newcomer, its newscasters have made great strides toward bringing a balanced and intelligent presentation of the news. Radio, as an old-timer, has well established its reputation for being first with the bulletins and with the on-the-spot descriptions of the big stories of the day. We also have an outstanding group of newspapers in North Carolina which almost without exception rank well in quality and purpose with any state in the nation.

Radio and television have some unique advantages in news presentation. The listener or viewer can see or hear the news as it happens with a minimum of interpretation or editing. In the case of a public official speaking on some public issue, television permits the public to see for themselves the man who is speaking, to hear exactly what he is saying, and to judge the sincerity of his voice and manner.

While North Carolina has many good daily and non-daily newspapers, there is always room for more news coverage of the life of our state. Competition in news gathering—as in most areas—usually results in the public getting a better and more complete story of the day's happenings. There is a great future for our newscasters in expanding their present efforts. We certainly hope that you will devote much of your attention to governmental affairs.

In recent weeks, I have been concentrating on making a multitude of appointments which every governor makes at the beginning of his administration. This actually involves the selection of hundreds of people across the state in a wide variety of activities. It has been my responsibility to make appointments to the State Board of Education, Advisory Budget Commission, Utilities Commission, Board of Conservation and Development, Prison Commission, Wildlife Commission, State Board of Health, State Probation Commission, Industrial Commission, Rural Electrification Authority, and many others.

The fact that I have not made a clean sweep of appointees of other governors does not mean I am not interested in politics.

I am intensely interested in good clean politics and an active, strong party; but I believe good government is the best politics.

In making my appointments, I have tried to get representation in various parts of the state and of varying points of view. In general, I have reappointed people without regard to whether they had originally been appointed by Governor Umstead, Governor Scott, or a prior governor. In some boards, we have made moderate changes to get a fresh point of view, and in some instances excellent men have been replaced at their request or because I wished to use them elsewhere.

As most of you know, I am reasonably new at this game of politics and probably do not play it in exactly the same manner as do some others. This is no reflection on groups of either party unless such groups play politics for personnal power or personal ambition to the detriment of their party or our good state.

My own approach to politics is one of "public service" and not one of personal advancement. I shall strive to do what is best for the state, regardless of what happens to me. I will make many mistakes. All of us who try to get things done will make many mistakes. I expect to have these pointed out to me by citizens through letters and personal conversations and through newspapers and other media. These criticisms are welcome; and about the only thing I would dare suggest to those who criticize is that they do it constructively for the good of the state, and not because they do not like the governor or the way he handles things. The office of the governor belongs to the people, and his official actions should be analyzed accordingly. He ought to be able to take constructive criticism, and I think I can take it!

The fact that I had over thirty years in business and industry before entering public life helps me render service to the people. Because of my love for North Carolina, I would like to say in humility and simplicity what I tried to say in my inaugural address on February 7—that this state has been good to me and my family; and if I can help in the slightest way to repay it, I'd like to do it. My father was a tenant tobacco farmer when I was born. He couldn't make a living for a family of ten, so he moved to a cotton mill town when I was a child. He and the rest of the family at one time or another worked in the local mills at Spray, North Carolina, as "hands." In those days and up until I went to college in 1915, it was long hours and small pay. The job never paid more than twenty cents an hour. I went back to these mills in 1919 after getting a college degree. My pay then was all of $83 a month. Through opportunity and hard work, I received advancement until I was made general manager of all the company's mills in the country in 1938. I retired from this company in 1950 at the age of fifty-two and went to Germany for the United States government as Chief of Industry in the Economic Cooperation Administration. After I returned, I was elected lieutenant governor of North Carolina in 1952 on a platform of "service to the people to the best of my ability." I believe that the great majority of our citizens feel that I have tried to help all North Carolinians regardless of their stations in life! I shall continue to do this to the best of my ability.

Within the near future, I will make appointments to several very important study commissions which have been authorized by the General Assembly. I am especially pleased that the General Assembly decided that we should make a major study of our state constitution with the view of suggesting revisions which would bring our constitution up to date. The last major revisions in our constitution were made in 1868, almost 100 years ago. While this basic document has served us well through these years, it is in the state's interest to have this special study made by representatives and outstanding citizens to determine what changes, if any, are needed.

Another highly important study will be made of public school finance. How can the state, as well as our local governmental units, better meet our responsibilities in financing public education in North Carolina? This is one of the most serious problems facing our state today.

The problems of municipal government in North Carolina will be studied by another commission from the House and Senate.

Continuing studies will be made of our revenue laws and the need for further reorganization of state government. Other subjects include the cause and control of cancer in North Carolina, the method of selecting trustees of the University of North Carolina, nursing and boarding homes, uniform map laws, and the operation of motor boats on the waters of this state. The public owes a debt of gratitude to those citizens who are giving, and will give without pay, their time on these various state boards and commissions.

One of the most significant changes authorized by the 1957 General Assembly in the organization of our state government was the establishment of the Department of Administration, which combined certain functions, including the Budget Bureau and the Purchasing Department. The creation of this Department of Administration does not, as some people have mistakenly assumed, place any new powers in the governor, but does provide improved methods for administering the governor's responsibilities. For example, the authority placed in this department with respect to budget planning, control over expenditures, and investigations into administrative management is contained in the Executive Budget Act which was passed by the General Assembly of 1925. Control over the state's purchasing operations,—and, by the way, the state purchases around $60,000,000 worth of supplies and materials each year—comes from legislation passed by the General Assembly in 1931. Thus, the real value of the Department of Administration arises not from new powers, but from an improved, streamlined, and better coordinated arrangement through which a governor's responsibilities to the people can be met. We expect through the Department of Administration to achieve economies, to have a better administrative setup, and to plan more effectively for our future needs.

Let us look now at our huge State Highway Department. We will spend in this department $400,000,000 in the next two years! How are we doing and where are we going? Since July 1, there has been a new day in highway administration for our state. Director W. F. Babcock and a seven-man policy-making group of commissioners have set out to bring about better long-range planning, greater efficiency in the management of highway funds, and closer contact with the people of North Carolina who own and use our highways. Much has been accomplished in two brief months.

The Highway Commission has already begun work on a statewide master highway plan designated to serve the needs of our people—not for just today and tomorrow, but for twenty years. This is a logical approach since an adequate and safe highway and street transportation system is basic to our economy.

If today's dollar is spent on highway designs which will become inadequate in a very few years, then much of today's dollar will have been wasted. To avoid this situation, the commission has employed extra people to help develop long-range highway planning and to do a better job of administration and public relations.

A new and modern cost accounting system has been installed to give highway officials an accurate picture of costs and expenditures.

In the field of interstate highway plans, we are now setting up a priority program for construction of these super-highways which should quicken the development of the state.

Secondary, or country roads are matters close to the people of our 100 counties. North Carolina has developed over the years an outstanding system of secondary roads. How can the state proceed on a fair, state-wide basis with its system of local roads? Even though there is never enough money to pave every road or build every bridge wanted, the Highway Commission is making a state-wide survey of these important roads so as to have current data on the needs.

The new Highway Commission, after giving this problem a great deal of study, has adopted a tentative policy covering all phases of secondary road work. It is establishing state-wide standards for secondary roads based on a point priority system so that those roads which render the greatest public service will be paved first. It will also insure that the average citizen will have an equal chance with anyone else to get his road improved or paved if the road meets state-wide and uniform standards. Details are being worked out with county commissioners and others, and I feel that the public will accept a program that attempts to treat all citizens alike.

Acquisition of rights-of-way for highway purposes is another critical problem which is getting a lot of careful attention from our Highway Commission. It is hard for a highway employee to explain to a citizen the need for taking his land when the bulldozers are already tearing up his lawn and shrubs. To remedy this situation, the commission has extended the amount of time between the completion of engineering plans and the beginning of actual construction. Some outside appraisers will be used, and more advanced notice will be given property owners so they will be fully informed and can make their own plans.

Another major activity of government, often overlooked by the public, is the State Prison Department. Acting upon my recommendation, based on a study commission report, the 1957 General Assembly authorized that the prison system be separated from the Highway Commission. We now have a new Prison Department with a governing authority known as the State Prison Commission and a director of prisons. This commission is composed of seven prominent North Carolina citizens who can devote their full time to the field of prison administration, rather than have their interests divided between care of prisoners and the building of roads.

The prison system is a constantly growing organization which presently employs approximately 1,600 people and operates ninety-four separate prison units. It has more than 11,000 prisoners with an annual operating budget of over $12,000,000, operates a prison industry doing a $3,000,000 business annually, and is confronted with the problems of ever increasing complexity, one of the most important of which is to find productive work for approximately 3,000 additional prisoners by 1965.

One of the most interesting developments in our prison system involves the new work day release program which was authorized by the 1957 General Assembly. This program permits certain first offenders to continue at work and spend their nights and weekends in prison, paying the prison for their upkeep and reserving money for their families, which saves the state and county some welfare payments.

The state problems and services which I have been discussing are all important and necessary. They represent great expenditures of tax funds for good purposes. Let us look now at how our state is trying to develop the economy of North Carolina so that it can pay for these ever-growing services required by our people. From my first day in office, I have worked toward encouraging the type of activity which can bring us a higher per capita income—diversified farming, more small, home-owned processing plants, expansion of industries now located in the state, location of new industries from out of state, better marketing, packaging and promotion of farm products, expansion of forestry, etc.

While all of these activities are badly needed, we know that sound industrial development can provide an answer to part of the state's need for new jobs, new payrolls, and better economic opportunity. Our Department of Conservation and Development is devoting a great deal of time and effort to this important assignment. I am pleased to report that the department has more positive prospects today than at any time in the past twenty months. Many towns and counties are working hard along similar lines.

Much of the credit for this new interest must be given to the action of the 1957 General Assembly in changing the allocation formula by which the taxable income of businesses having operations in more than one state is measured for taxation in North Carolina. This was one of the most courageous and constructive moves made by our legislature, and it reflected the state's desire to treat industry and business in a fair and honest manner.

The change, which merely made our formula similar to that used in the majority of other states, nevertheless, has already made an impact in the world of industry and business. It has also encouraged many of our own industries to remain with us and to plan expansions here, rather than in a competing state. As I have pointed out before, this is not a "give-away" program for business and industry. Our income tax *rate* on corporations is among the highest in the nation.

At the same time this allocation change was made, other tax changes were made which affect thousands of individual North Carolinians. The 3 per cent sales tax has been removed from farm machinery parts, and farmers and other non-highway users of gasoline will receive six cents instead of five cents per gallon refund. In addition, small farmers, small business proprietors, and wage earners who supplement their income from other sources—more than 111,000 people—will enjoy a $650,000 tax reduction as a result of an extension of the standard deduction privilege. These changes were justified, and I supported them whole-heartedly.

Meanwhile, the multitude of problems involved in tobacco concern me greatly, and I have kept in close touch with these developments. It is tragic to see so many small tobacco growers caught in the middle—hampered by acreage reduction, drought conditions, increased costs, and the controversy about mixed tobacco varieties. We must work out these problems, and yet we must not jeopardize our tobacco support program, as it means so much to all North Carolina.

I should like now to comment on our public schools and the racial problem. In my view, there is no public activity which means more to the people of this state than does public education. No greater problem has confronted me as your governor than that brought about by the segregation decisions of the United States Supreme Court.

This past July, the school boards in Charlotte, Greensboro, and Winston-Salem granted the application of a total of twelve Negro children for reassignment to white schools. In Charlotte, five such applications were allowed; in Greensboro, there were six; and in Winston-Salem, one. At the same time, these three boards denied a total of thirty-nine other applications for reassignment of Negro children to white schools. Applications for reassignment of Negro children have been filed with various other school boards throughout our state, and have, after due consideration, been denied. For example, the Raleigh School Board turned down its one applicant.

In response to requests that I comment on the actions of some of these boards, I said that as I understand the Pearsall plan, the constitutional amendment implementing the plan, and the vote of the people approving it last September, the very clear conclusion is justified that North Carolina has placed this problem of assignment of school children completely in the hands of the communities of the state. I also made it clear that it should be understood that what I said was not to be interpreted as either approval or disapproval of any action by a given school board or community in any particular case.

During the past few weeks, I have been told by some people, on the one hand, that I should have publicily commended the members of the Charlotte, Greensboro and Winston-Salem boards for their action in facing up to the difficult problems before them and deciding to grant these applications for reassignment of twelve Negro children, rather than subject the boards to court injunctions potentially involving a far greater amount of racial mixing. On the other hand, others have told me that I have not properly exercised my influence as governor, in that I did not personally prevent these boards from making these particular decisions. Some few have suggested that I, as governor, should have the personal authority to close the public schools of this state so as to prevent any mixing of the races no matter to what degree.

As I have said many times since the Supreme Court decisions in 1954, I think that mixing the races in our public schools is bad for both races. My numerous statements to this effect are a matter of record. I am certain that the vast majority of the citizens of North Carolina feel the same way.

I have said bluntly, without equivocation, that I think the United States Supreme Court made a tragic mistake in trying to bring about a revolution by changing a long-established interpretation of our Federal Constitution. However this may be, I must recognize, and our legislature and our people have recognized, that the United States Supreme Court has expressed its opinion on this question. We are forced to recognize that *that* Court has the final word in the interpretation of our Federal Constitution, and this interpretation will stand until either the Court reverses itself or until there is an express amendment to the Constitution proposed by the Congress and ratified by the states.

In April, 1956, the Advisory Committee on Education recommended that legislation be enacted which would permit the people in any locality, by majority vote, to suspend the operation of the public schools in that community when conditions developed which were unacceptable to the people concerned. In addition, it was recommended that tuition grants be made available to the parents of school children for whom a public school was not available and for parents who objected to sending their child to a public school in which there was some mixing of the races. I joined wholeheartedly in these recommendations.

This program, which came to be known as the Pearsall plan, was adopted by the legislature at the 1956 special session with only two dissenting votes out of the total membership of one hundred seventy. At the election on the public school amendment on September 8, 1956, we had the largest vote in the history of our state other than at a regular presidential-year election. A total of 573,424 votes were cast. Of this number, 471,657, or 82.5 per cent, voted for the constitutional amendment. This amendment carried in every single one of our 100 counties!

According to the present laws of this state as mentioned, the decision as to whether any public school or any number of public schools should or should not continue to operate under particular circumstances will be made by the people in the communities affected. This decision should be made in an orderly and lawful manner. I have enough faith and confidence in the people of this state to believe that they will make such decisions to the best of their ability and in accordance with their understanding and judgment as to what are the best interests of their children.

I have endeavored, from the beginning, to meet the school segregation problems in a straightforward and honest manner. I have consistently taken the position with the people of North Carolina that there is no sure, certain, and easy solution to this problem.

The path that North Carolina has taken on this question is not identical with that chosen by other states which have been most directly affected by the decisions of the United States Supreme Court. The policy adopted in some states has, for example, been one of affirmatively promoting the mixing of the races in the public schools. The approach taken by other states has been the enactment of laws automatically cutting off funds and requiring the closing of schools by action of state officials. In some instances, school boards in other states have been placed under sweeping court injunctions, and some people anticipate that the school laws of such states will either be changed or else there will be extensive closing of schools or extensive mixing of the races.

We in North Carolina will not presume to tell the people of one of our sister states how they should meet the problems brought about by a court decision which none of us like. By the same token, we are entitled to presume that the citizens in our sister states will grant to us in North Carolina the privilege and the right to adopt that course of action which it is felt best meets the needs and the desires of our people.

As our schools open for a new session and we face the critical days, months, and years ahead, we can be thankful that our laws have been designed under the Pearsall plan so as to permit an orderly exercise of choice in these matters and that our citizens do not have to resort to irresponsible actions to make their wishes felt. North Carolinians do not like lawlessness. We have no place in our state for the Ku Klux Klan. We want no outside agitators, Negro or white, meddling in our affairs. We will make our choices, and I am confident that we will make them in a reasonable, lawful, and orderly manner, as befits true North Carolinians.

On August 8, 1955, I proposed to the citizens of our state, both white and Negro, that North Carolina meet the school segregation problem through a program of voluntary separate school attendance. This was submitted with the firm conviction that any substantial mixing of the races in our schools would result in the destruction of the public school system. I am still firmly convinced that this is true, and in spite of the relatively few exceptions, with which we are all familiar, I am fully convinced that the overwhelming majority of North Carolinians, both white and Negro, continue to be in favor of this program.

Speaking of these few Negro citizens who have refused to go along with voluntary separate school attendance, I would like to quote briefly from my August, 1955, speech:

> My earnest request of you Negro citizens of North Carolina is this: Do not allow any militant and selfish organization to stampede you into refusal to go along with this program I am proposing in the interest of our public schools; take pride in your race by attending your own schools; and make it clear that any among you who refuse to cooperate in this effort to save our public school system are not to be applauded but are to be considered as endangering the education of your children and as denying the integrity of the Negro race by refusing to remain in association with it.

Can these few citizens seriously believe that they are helping remove any real or fancied stigma from their race by placing their children in schools formerly attended only by white children?

Do not they know that the plight of the Negro is worse in many of the areas which have so-called integrated schools, than it is in the South?

These things are all a matter of public record. Almost every day the press reports instances of strife, bitterness, and lawlessness which arise in these areas.

Do they not know that court decisions cannot make or remake a society?

Where are the Negro leaders of wisdom and courage to tell their people these things? Have they none?

I sincerely hope these people will consider these questions seriously—I have not raised them lightly.

It is my earnest hope that men of good will of both races will work together to help this good state during these critical years.

In closing, I would like to thank you, my fellow North Carolinians, for the way you have met this segregation issue and other problems which face our good state. I thank you for your support and cooperation, your prayers and good wishes.

Good night.

ADDRESS AT A JOINT MEETING OF THE HAMILTON LAKES CIVITAN CLUB WITH REPRESENTATIVES OF OTHER GREENSBORO CIVIC CLUBS

GREENSBORO
September 13, 1957

[Preceding this address the Governor was met by a delegation at Gibsonville, after which he visited and inspected Waseda Farm, owned and operated by R. M. and H. V. Fryar, an example of Guilford County's effort to get away from one-crop agriculture. The Governor visited the greenhouse where Mrs. H. V. Fryar was growing orchids to supplement farm income and then went in the house where he drank a glass of milk from the dairy. The address, entitled "What's Ahead in North Carolina?" was heard by about 200 industrial and civic leaders and was televised direct from the Starmount Country Club by Stations WFMY-TV and WUNC-TV. The portion dealing with public schools and the racial problems was a repetition of the Governor's remarks on that subject made in his televised "Report to the People" on September 3, which had not been carried over Station WFMY-TV.]

Good evening, fellow citizens. It is my pleasure and privilege tonight to meet with the Hamilton Lakes Civitan Club and representatives from most of the other Greensboro civic clubs. Through the courtesy of Station WFMY-TV, Greensboro, and WUNC-TV, our University educational television station, I am also talking to thousands of North Carolinians throughout the central part of our great state. This is a fine opportunity to share some thoughts and ideas with you. I made a state-wide broadcast last week on various subjects, but WFMY-TV was unable to participate. My talk tonight will be along somewhat different lines, although I shall briefly discuss the school situation.

It is always a refreshing experience for me to travel across North Carolina and to meet with representative civic organizations such as these. Some people—and even a few politicians—have, in the past, said some unkind things about civic clubs generally and have charged them with selfish motives. I cannot agree with this criticism because I have always found our average North Carolina civic club to be a useful outlet for constructive service in its community or county, and further, that the average civic club member is interested in his government. It has been my privilege to serve as a member of a Rotary Club for many years, and my experience in Rotary and in many visits to civic organizations of every kind across North Carolina have convinced me that our civic clubs are one of the most powerful forces for community good that we have in existence; and generally speaking, their members keep in touch with the man on the street, in the factory, and on the farm. There is always room for improvement in almost any human activity, and those of us who are associated with civic organizations can always strive to sharpen our aims and our goals and to concentrate on what is best for the greatest number of people. That is certainly my desire as governor. I commend all of you for the services you have rendered and for the hundreds of projects in Greensboro and Guilford County which you have completed in the name of service to your fellow man and your communities.

Greensboro is one of our great cities, and Guilford is one of our most outstanding counties. The leadership furnished here in education, industry, business, finance and banking, and agriculture is well recognized. North Carolina is proud of Greensboro, Guilford, and this great Piedmont section. I have read with great interest the news about the plans for a scientific study of urban growth throughout the Piedmont area. This long-range, far-reaching study, supported by the Ford Foundation and sponsored by the University of North Carolina, is of great significance! The growth of our cities in the Piedmont has been a gradual development of many small towns without the problems normally found in the growth of one huge metropolitan center dominating everything else. We in North Carolina are grateful for our sound distribution of urban, non-urban, and rural population. I have been encouraged to see the cooperation and coordination among the cities in the Piedmont, such as the Seven Cities Water Committee, which is working toward providing a plentiful, lasting water supply for Winston-Salem, Lexington, Thomasville, High Point, Greensboro, Burlington, and Graham. This is an example of municipal teamwork which will benefit everyone, and plenty of water will be one of the main answers to your future problems.

Tonight my topic might be entitled: "What's Ahead in North Carolina?" In all of my adult life, one of my great interests has been in trying to look ahead as far as possible so as to be able to anticipate and plan for events to come. Perhaps this stems from an overactive curiosity about what lies ahead just over the hill. In any event, I believe in being prepared to the best of one's ability for the future. Since becoming governor of North Carolina, almost three years ago, I have devoted a lot of time and attention in state government to "looking ahead." Just a few weeks after I had been in office, I set up a file on "looking ahead," feeling that we could render the best service to a modern, growing state if we could plan ahead. I asked the major state department heads to give us a forecast for 1965, as to their needs for such things as schools, school teachers and buildings, prisons, mental hospitals, and other services. After the first shock of getting such a request, the agencies furnished the figures which were dramatic but well considered!

In addition to carrying out my regular day-to-day duties, I have tried, with good help from my staff and other state employees, to visualize our future problems and future opportunities. New things are developing; new ideas are being examined; North Carolina is "on the go!"

Earlier this week it was my pleasure to participate in the first telecast of an in-school educational program which reached classrooms in public schools from Rocky Mount to Asheville. Thousands of our children will now be able to participate in this exciting adventure in learning, using the educational television network which was first established by our University just a few years ago. North Carolina, which is certainly not one of the wealthier states, was one of the very first to enter the educational television field although at that time we acted on faith and hope—bolstered by private contributions—alone. The dramatic new experiment in public education which is being financed largely by the Ford Foundation's Fund for the Advancement of Education is a direct result of the pioneering efforts of North Carolina in providing the necessary television setup. May I at this time pay tribute to those television stations in North Carolina which have joined with WUNC-TV to make this education program possible in so many of our public schools. I predict a great and helpful future for educational television.

About two years ago I had a part in the formation of an organization known as The Research Triangle Committee, Incorporated. This committee was based on an idea that something should be done to encourage industrial research to utilize the tremendous education resources available in the relatively small geographical area bounded by the University at Chapel Hill, Duke University at Durham, and North Carolina State College at Raleigh. The three institutions involved were most helpful and cooperative in encouraging this idea. We found support from municipal and county leaders in Orange, Durham, and Wake counties. Acting on faith alone, a group of contributors from the Research Triangle area, as well as Greensboro and Winston-Salem and other places, agreed to contribute a total of $30,000 a year to get this idea across. After more than a year of hard work, planning, and study, the Research Triangle is now moving ahead rapidly. On Tuesday afternoon, we announced the great news about Karl Robbins of New York, a good friend of North Carolina, who has acquired 4,000 acres in the heart of the Research Triangle for the purpose of converting this into a major research park. The initial investment in land, services, and improvements will be more than a million dollars. Mr. Robbins is a sixty-four-year-old retired textile executive who had his first North Carolina mill experience with Mr. Spencer Love and who later had extensive textile operations in our state, and for whom Robbins, North Carolina, is named. The influence of the Research Triangle as it develops will help not only this area but all of North Carolina. Experts say that in twenty years it should have 20,000 to 25,000 working there in research and affiliated fields.

So much has happened recently to point toward advancement and progress in North Carolina that it may lead some people to believe that these things just naturally happen. Believe me, they don't. Most of the developments and advancements are the result of some individual or group of people who are willing to risk their money, their ideas, their reputations, and sometimes their future, on a project which appeals to them. For many years people in North Carolina have been dreaming about providing trunk-line railroad service east to west in North Carolina. Many people have worked long and hard in trying to make this a reality, and yet failure has seemed to dog every effort in this direction. Since becoming governor, I have thrown the weight of my administration behind these efforts without any real idea of whether or not our efforts would be successful. This week, it was my unexpected and delightful privilege to announce that the Southern Railway is buying the Atlantic and East Carolina Railroad, which will complete the link needed and give the Southern Railway the opportunity to provide trunk-line railroad service across North Carolina from our Atlantic beaches to the Great Smokies. Mr. Harry DeButts, Southern's president, said in the press yesterday they would push along with their plans. I commend the Southern for its courage and leadership in taking this necessary step, which I predict will bring a new day and a new era to eastern North Carolina. What helps eastern North Carolina will help Greensboro, the Piedmont, and the rest of the state.

These two illustrations (the Research Triangle and the move by the Southern) are for the future, but we hope the nearby future.

It would be easier on me physically and probably better for me politically if I didn't concern myself too much with the future, but took things as they come and left things generally as they are. I have chosen the harder way in order to give the greatest service possible to the state. By pointing out and working on our fundamental, long-range problems, such as public school financing, per capita income, agricultural transition, higher college enrollments, modern highway planning, need for research and industrial expansions, etc., we can help the most. We get lots of support and aid from dedicated state officials, patriotic citizens, and others who love their state and want to help. Indeed, many of the ideas on which we are spending time and effort come from these people.

As you know, each governor has the privilege and responsibility of creating and directing a program in state government which will serve the people of the state and also will attempt to answer some of the more pressing problems confronting our state. Like other governors, I formed a program and presented it to the General Assembly and to the people of the state. This program dealt with many subjects—agriculture, public education, higher education, highways and highway administration, prisons and the administration of justice, highway safety, reorganization of state government, natural resources, welfare, health and hospitals, and many others. The General Assembly deserves much credit for its work and its legislation in these fields. From the very begining, I have placed great emphasis upon the goal of raising the average per capita income for our people so that we may enjoy a greater share of the economic welfare of America. This is a tough assignment, because North Carolina has remained, since 1929, forty-fourth in per capita income in the United States despite all the advancement we have made on so many fronts. It is not easy for a state to lift itself by its own bootstraps, but we are having a try at it. Our average per capita income for North Carolina for 1956 was $1,305. You in Guilford County are fortunate. Among our 100 counties, Guilford ranks third with $1,839 income. But you are interested in and affected by all who rank below you.

Historians tell us that our first industrial revolution in North Carolina occurred between 1870 and 1900, when our people discovered that we had the resources and the ability to produce a wide range of manufactured goods for ourselves. Out of this thinking, which followed the bitter and bloody Civil War, grew our outstanding tobacco, textile, and furniture industries which still form the backbone of our pioneer industrial economy. Transportation, electric power development, and communication facilities flourished along with this early industrial expansion.

In more recent years, World War II marked another period of industrial revolution for North Carolina. Almost $2,000,000,000 were spent in North Carolina directly by the Armed Forces in connection with the purchase of manufactured war supplies and materials, and this did not include sub-contracting from North Carolina industries to producers who in turn sold direct to the government. The war years helped bring diversification of industrial output, especially in the metal-working industry. The manufacture of chemicals began to surge forward, and electronics became a new and prosperous industrial neighbor. All of these new developments—plus the expansion of older, established industries —have contributed to the industrial growth of which we are very proud.

During the first three quarters of 1957, there have been 235 new and expanded industries announced. They represent a capital investment of more than $128,000,000, new jobs for 11,000 workers who will earn an estimated $34,000,000. A few of the big new industries during this period have been widely publicized—following the General Assembly's action on corporate taxes. These include Allied-Kennecott Titanium Corporation and our own R. J. Reynolds Tobacco Company in Winston-Salem. Reynolds, like many of our native firms, had a most modest start, beginning operations in 1875 with a factory about the size of a tennis court. Today it is one of the giants in the tobacco industry, and it is still growing. It is contstructing a new $37,000,000 facility in the Winston-Salem area, in addition to the $12,000,000 expansion already under way. This is an example of faith in the future of North Carolina which will result in 2,000 new jobs and an added payroll of $7,500,000 annually to the area.

What's ahead in industrial development in North Carolina? I sincerely believe the future is bright and that our cities and counties can have the type of modern, productive industries which we need to balance our agricultural economy and to provide jobs, payrolls, and opportunity. There is much that communities can do to prepare themselves for the critical scrutiny of industrial prospects. If our schools, churches, homes, and business are not attractive and clean, nothing can offset this poor impression.

We have a strong and valuable agricultural heritage in this state which we should seek to preserve, strengthen, and develop. At the same time, we must recognize that our farmers, like those in every state, are having an increasingly difficult time in making a living from the land. Farming is a highly competitive enterprise, calling for the highest types of managerial skill, and at the same time accepting far greater financial risk than most people—certainly those in business—would ever be willing to undertake. I am sympathetic with the efforts of our farm people to overcome the mounting difficulties which they face and over which they have no control.

While our major farm programs are administered by the federal government, we in North Carolina believe in doing everything we can to help the farmer to help himself. This includes technical know-how, research, marketing, and the multitude of services offered by North Carolina State College and other agencies. At the same time, we have other reasons for preserving agriculture because the small family farm means a great deal to our state and to our way of life. We want to keep this rural way of life and improve it with all modern advantages. Today I had the privilege of visiting the farm of H. V. Fryar, near Gibsonville, and saw there what he has been doing to enable his family to stay on the farm and yet at the same time to make an adequate income. Despite all the problems and handicaps, I believe that the future of agriculture in North Carolina is good. It will demonstrate what our resourceful farm leaders and people can produce for modern markets under modern competitive circumstances. There is a great deal to be done in merchandising, quality control, marketing, packaging, promotion, and producing the right product at the right time for the right market.

Public education is big business in North Carolina, as it is in most of our other states. Our public school budgets for the past biennium amounted to $261,000,000. For 1957-59 biennium the amount is $320,000,000, or an increase of over 18 per cent. This increase in appropriations included the 15 per cent increase for teacher pay. In the field of higher education, North Carolina spent over $28,000,000 during the past two years, including grants-in-aid to community colleges—a new venture in our state, and a promising one. During the next two years, North Carolina will spend over $37,000,000 for the maintenance and operations of our state-supported colleges; and in addition, we will spend $22,000,000 in capital improvements for these institutions.

There are many basic problems confronting public education and our public schools. You are familiar with the debate and controversy in the 1957 General Assembly concerning compensation for our school teachers. The average annual pay is now $3,644, which does not include $275 contributed by the state annually for retirement. This is paid over a nine-months' period. Teacher shortage is another serious problem and the need continues to grow each year as about 1,500 teachers are needed to replace those who have retired or died. Building shortages confront many of our communities and counties. When you remember that we have one million school children in North Carolina, and the birth rate continues upward, we see the scope of the problem.

Education has been the keystone to our progress for the past half century. We believe in public education and will do everything within our power and within our economic resources to meet the educational needs of our children. There is much to be done and much can be done through new methods of teaching and encouraging enrichment of school programs on a modern basis. As you know, our General Assembly has wisely provided a study commission to look into the entire area of public school financing. This is most important and can mean much to us. I am greatly encouraged with the progress that has been made by our Citizens Committee on Education, headed by Holt McPherson of High Point. This is a "grass roots" approach to stirring interest in education at the local level throughout the 100 counties.

Our State Highway Department, which will spend approximately $400,000,000 in the next two years, is now being run by a new director of highways and a new seven-man policy-making group of commissioners. They have set out to bring about better long-rang planning, greater efficiency in the management of highway funds, and closer contact with the people of North Carolina who own and use our highways. Plans are being made for a state-wide master highway plan designed to serve the needs of our people for the next twenty years. A priority program for the new interstate highway has been set up and the way we handle acquisitions of rights-of-way for highway purposes is being improved. In the field of secondary roads, the commission is making a state-wide survey of these to determine needs. These needs will be met on a basis of state-wide standards so that the roads which render the greatest public service will be paved first, with every citizen being treated alike.

There is a great era ahead for highway administration in North Carolina. It will take the finest skills in management, engineering, and planning to provide the roads to meet the ever-growing needs of our people. We shall see more super highways, more limited access roads, and better engineering in providing the safest roads possible for our motorists. Highways must keep pace with the future, and our planning must have the future in mind.

Our state government is a gigantic organization which has a budget with a total expenditure of approximately $1,000,000,000 for the period July 1, 1957 through June 30, 1959. We have over 77,000 employees, including some 34,000 teachers, 10,000 highway employees, and 32,000 others. So we are basically talking big business, big administrative responsibilities, and big problems. The size and scope of state government makes it necessary that the organization of the various departments and agencies be re-examined periodically to make certain that the people of our state are getting maximum service and maximum use of their tax dollar. One of the most significant changes authorized by the 1957 General Assembly involved the establishment of the new Department of Administration which combines certain functions, including the Budget Bureau and the Purchasing Department.

Another major step in good government involves the establishment of the Division of General Services which will direct, among other things, the operation of a central motor pool in Raleigh for state employees. This is a modern, practical, and reasonable method of handling at least part of the vast fleet of automobiles necessary to transport our state employees on official tasks. The idea of a motor pool was not mine. It came from a Committee on Reorganization of State Government and was approved by the General Assembly. I also approved the idea as I think it will assure our taxpayers the most for their dollar.

In preparing for the future, the 1957 General Assembly authorized eleven important study commissions which I expect to appoint soon. Included among these are commissions to study our state constitution, the problems of municipal government, and to make a continuing study of our tax structure. All of these are efforts on the part of the legislature and the governor to look to the future and to strive constantly to improve the quality and scope of services offered by state government.

In looking ahead for North Carolina and in planning and working for a better state, we must inevitably take into account the racial problems facing us in North Carolina today. I am frank to say that no greater problem has confronted me than that brought about by the segregation decisions of the United States Supreme Court.

Last week in a state-wide broadcast, I spoke at some length concerning the public schools and the racial problem. I think in view of events of the past week that it is appropriate for me to re-state and re-emphasize much of what I said then.

As we all know, three school boards in our state granted applications of a few Negro children for reassignment to white schools. In Charlotte, there were five applications allowed; in Greensboro, there were six; and in Winston-Salem, one. At the same time, these same three boards denied a total of thirty-nine other applications for reassignment of Negro children to white schools. Similar applications have been filed with various other school boards throughout our state, and have after due consideration been denied.

Thus, when our public schools opened throughout our state during the past two weeks, we had these few instances of racial mixing, involving less than a dozen Negroes.

Here in Greensboro and at the other places in the state, our people have met this issue calmly—they have not followed their personal wishes or beliefs about assignment or mixing, but have followed the law.

Many times since the decision of the United States Supreme Court in 1954, I have said that mixing the races in our public schools is bad for both races. My numerous statements to this effect are a matter of public record. I am certain that the vast majority of the citizens of North Carolina feel the same way.

I have said on several occasions, without mincing words, that I think the United States Supreme Court made a tragic mistake in trying to bring about a revolution by changing a long-established interpretation of our Federal Constitution. However, this may be, I must recognize, and our legislature and our people have recognized that the United States Supreme Court has expressed its opinion on this question. We are forced to recognize that that court has the final word in the interpretation of our Federal Constitution, and this interpretation will stand until either the Court reverses itself or until there is an express amendment to the Constitution proposed by the Congress and ratified by the states.

I have endeavored from the beginning to meet the school segregation problems in a straightforward and honest manner. I have consistently taken the position with the people that there is no sure, certain, and easy solution to this problem.

Last week I stated that we in North Carolina will not presume to tell the people of one of our sister states how they should meet the problems brought about by a court decision which none of us like. By the same token, we are entitled to presume that the citizens in our sister states will grant to us in North Carolina the privilege and the right to adopt that course of action which is felt best meets the needs and the desires of our people.

Quite naturally, our citizens have followed closely the events of the past week taking place in the state of Arkansas. Wide publicity has been given to the action taken by Governor Faubus in calling out National Guard troops in Little Rock. Governor Faubus has expressly stated that he took that action so as to maintain law and order in Little Rock. He pointed out in a nationally televised interview that for the past two years the state of Arkansas has had racial mixing in their public schools other than in Little Rock; actually in seven other Arkansas towns. Further, that for a period of several years Arkansas has had integration in some of its colleges. These are facts which some of our citizens in North Carolina did not know about as they had thought that the Little Rock episode was the first attempt to mix the races in Arkansas.

I, of course, am in no position to judge the action taken by Governor Faubus; and indeed, I think it would be presumptuous for me to do so. I know only too well that each governor has his own problems and that in the light of all the circumstances in his particular state, he must take the action which he thinks necessary and proper to maintain law and order.

We, of course, in North Carolina do not want and have absolutely no place for violence or for lawless activity. As we face the critical days, months, and years ahead, we can be thankful that our laws have been designed under the Pearsall plan so as to permit an orderly exercise of choice in these matters and our citizens do not have to resort to irresponsible action to make their wishes felt. No one in North Carolina has to go to a mixed school. Our law allows the student to transfer to another school or to receive a tuition grant. Our law provides that the people themselves, in each community, can vote to close their public schools if conditions develop which are unacceptable to them.

We do not like lawlessness. We want no agitation in our state from the Ku Klux Klan, or from the NAACP. We want no outsiders, Negro or white, meddling in our affairs. We will make our choices; and I am confident that we will make them in a reasonable, lawful, and orderly manner, as befits true North Carolinians.

Again, I would like to bring to your attention what I have said and urged concerning voluntary separate school attendance.

On August 8, 1955, I proposed to the citizens of our state, both white and Negro, that North Carolina meet the school segregation problem through a program of voluntary separate school attendance. This was submitted with the firm conviction that any substantial mixing of the races in our schools would result in the destruction of the public school system. I am still firmly convinced that this is true; and, in spite of the relatively few exceptions, with which we are all familiar, I am fully convinced that the overwhelming majority of North Carolinians, both white and Negro, continue to be in favor of this program.

I would like to repeat the questions I raised last week. Can these few Negro citizens seriously believe that they are helping remove any real or fancied stigma from their race by placing their children in schools formerly attended only by white children?

Do they not know that the plight of the Negro is worse in many of the areas which have so-called integrated schools, than it is in the South?

These things are all a matter of public record. Almost every day the press reports instances of strife, bitterness, and lawlessness which arise in these areas.

Do they not know that court decisions cannot make or re-make a society?

Where are the Negro leaders of wisdom and courage to tell their people these things? Have they none?

I sincerely hope these people will consider these questions seriously—again, I have not raised them lightly.

These school and racial problems cannot be easily or quickly solved, and we must continue to face them with good will on the part of both races.

May I thank this audience as well as the listening and viewing audience for their patience and understanding. Our problems in North Carolina are exceeded only by our opportunities, and I look forward with you to the future.

OPENING REMARKS AS CHAIRMAN OF THE SOUTHERN GOVERNORS' CONFERENCE AT ITS TWENTY-THIRD ANNUAL MEETING

SEA ISLAND, GEORGIA
September 23, 1957

[Governor Hodges served as chairman of the Southern Governors' Conference during 1957. In these remarks at the conference's annual meeting he elaborated his conception of what he termed "The Southern Point of View," with particular reference to the matter of federal-state relations and the segregation issue. His allusion to the question "Can a southerner be elected President?" was interpreted by some newspapers as a setting of his sights on the vice-presidency in 1960. Some of his critics said the title of his speech should have been "Can a Southerner be Elected Vice-President."]

I am happy indeed to see all of you here, and as chairman of this year's conference, to add my welcome to that of our distinguished host Governor, the Honorable Marvin Griffin of Georgia. We regret very much that all of our conference members could not be with us today.

Two years ago at my first Southern Governors' Conference at Point Clear, Alabama, I said that the South has something to offer the nation; and that we ought to make our contribution to the national welfare in a positive way, representing what is best from our region. I used as an illustration the South's quest for industry. Speaking for my own state of North Carolina, I said that I would like to join with all other southern states in saying to the rest of the nation, particularly the crowded and congested northern and eastern areas, that we would like to have you take a look at the southern part of the United States as the finest place in the world to which you could move, or in which you could expand your industries or businesses. Further, that I should like to see the South bid for industrial expansion as a region; and that I would take my chances for North Carolina in the part we would be able to secure. I had in mind then, as I have now, that we have a capable and industrious labor force, good community attitudes, good state governments, and lots of water and other important natural resources—and we have a region that needs to be developed cooperatively.

At a press conference in which I participated at Point Clear, following my comments which had been directed solely to economic development, questions were thrown at me as to what I meant by the southern contribution or "Southern Point of View." Did I mean to say that I would join with other states in forming a states' rights movement in a forthcoming political convention? I was asked if I had a states' rights candidate in mind.

I meant then, as now, that the southern point of view is not necessarily political, nor does it mean that I propose we leave our traditional political party.

The southern point of view, in my mind, means the continued presence of a desirable and responsible independence and freedom—the kind of independence and freedom that make for growth in either an individual, a community, a state, or a region. The southern point of view means that we still have a theory of government which we think represents a true and accurate interpretation of the aspirations of our national union of states.

A good statement of this theory of government is contained in the 1955 report submitted by the Commission on Inter-Governmental Relations. That commission was established by Congress because of repeated recommendations and requests by various Governors' Conferences and other groups that such be done. In the introduction to the commission's report is the following, and I quote:

> Precise divisions of governmental activities need always to be considered in the light of varied and shifting circumstances; they need also to be viewed in the light of principles rooted in our history. Assuming efficient and responsible government at all levels—national, state and local—we should seek to divide our civic responsibilities so that we:
>
> Leave to private initiative all the functions that citizens can perform privately; use the level of government closest to the community for all public functions it can handle; utilize cooperative inter-governmental arrangements where appropriate to attain economic performance and popular approval; reserve national action for residual participation when state and local governments are not fully adequate, and for continuing responsibilities that only the national government can undertake.

I believe that the philosophy implicit in this statement I have just quoted is in harmony with the fundamental law of our nation, and with the true and abiding principles on which our nation was founded.

It is a good statement of the southern point of view, which point of view, unfortunately, has in recent years declined in vigor at our national level.

The southern point of view means the preservation of the initiative and personality of the individual, of the local governmental unit, and of the state. This point of view carries with it a reverence for our forefathers and for the principles which inspired them. It includes a deep and abiding sense of patriotism for state and nation. It means we do not hastily take up fanciful new theories, and that we do not like undue concentration of governmental power nor an exaggerated and unseemly influence of minority pressure groups.

The southern point of view means a certain kind of conservatism, born of caution and of suffering—a conservatism based upon respect for those things and practices of the past which time has proved good and worthy—a conservatism based upon a realistic appraisal of the hard facts of life as they exist at the present.

The southern point of view, I think, is well illustrated by the recent civil rights debate in which the South, led by Senator Russell of Georgia, Senator Ervin of North Carolina, and other outstanding southern senators and supported by distinguished senators from all sections of the nation, carefully, painstakingly, and earnestly pointed out to the nation what could happen if the Congress of the United States allowed casual emotion, half-baked information, and partisan politics to dictate dangerous legislation. The high level of the discussion in that debate showed the South and its leadership at its best.

I recall more than twenty years ago having an illustrious professor from the Middle West, and of the Republican faith, say to me, "Luther, it cannot be many years before the country will be thanking God for the South, and especially its southern senators." How prophetic his statement was—how surely it has come to pass in these last few weeks when the country has been saved from certain very extreme legislation promoted under the guise of protecting individual rights of people.

The economic, cultural, and political leadership produced in the South can and will continue to be outstanding in our nation. If we in the southern states differ from other sections of our nation in our approach to the solution of major problems confronting our region, I think it is mainly because our problems are really different. It is a well-known, perhaps even trite truism that problems of the same *kind* can vary so much in degree as in reality to be problems different in kind as well as degree.

For example, *and for example only,* in North Carolina our Negro population varies from 0.3 per cent in one of our 100 counties to 67 per cent in another one of our counties. Obviously, the race problem varies among our 100 counties as it can and does vary among the several states represented in this conference, from Delaware to Oklahoma. This variation in degree of the race problem and in approaches toward a solution of that problem does not mean that our people do not have the same basic personal convictions and attitudes.

As a matter of fact, I believe if the truth were really known, the basic attitudes and feelings of the average person in those states outside the South, with respect to racial relations, is not a great deal different from that of the southern citizen. Any difference is largely explained by the difference in the degree of problems facing different sections of our nation. Of course, you know and I know that the average citizen in other sections of our nation has in the past, for the most part, really been little concerned about the specific racial problems and difficulties which confront the southern states. He had no personal knowledge of these problems. They were not his problems, so why should he be concerned. And it is hard for him to understand why others are concerned.

However, I think that the attitude of the average person throughout this country is changing. Attitudes are changing, not only about the school segregation problem, but about other things on which the United States Supreme Court has recently ruled. I think that there is a deepening concern on the part of the average man, whether from the North or South, East or West, whether Republican, Democrat, or so-called Independent; he is concerned as to where we are going; and he is concerned that in our seeming desire to protect individual liberties we are often throwing to the wind individual responsibility.

I am advised that a Gallup poll indicates that in recent weeks changes of opinion have occurred among people throughout the entire country on *decisions* of the United States Supreme Court. In short, people outside the South are now concerned about matters which they swallowed whole a year or so ago.

Nearly two years ago, I made a speech to a large civic club in New York City, where representatives from at least thirty-five states of this country, and from twelve or fifteen foreign nations were present. There are one or two impressions that I received there which have stayed with me and which I would like to share with you.

In discussing the Supreme Court's decision on public schools, I pointed out that while this particular decision is drastically affecting only the southern part of the United States, our nation as a whole should feel deep concern. Sooner or later other decisions of the Court on other subjects would strike at other sections of our nation, and unless we aroused ourselves now we might find it too late "to become aroused" in the future.

I was impressed by the fact that this New York audience received these statements from me with expressions, not only of sympathy, but of support. I was also much impressed by the fact that one of the large metropolitan papers in New York City had two reporters present. They not only heard the speech but received copies of it. But not one word about the meeting, or about the speech was printed.

That paper which prides itself on being a leader of thought in its city and in the nation would, I fear, rather talk about "race incidents" in the South than about "good race relations" in the South. That paper and its associates in the North, almost without exception, gave little or no reference to the race disturbance in Levittown, Pennsylvania, in the last few weeks. A like incident in the South would have brought out inflamed front-page headlines. as well as some strong editorializing.

Within the last few weeks, I made a talk along similar lines to about 500 people in California, representing practically every state in the union. They were leading business, industrial, and professional people. I talked about where we are going in this country; and I especially referred to the more recent Court decisions of June 21, 1957, which had nothing to do with segregation.

Many people in that California audience came to me after that speech, referring to these recent decisions to say that they agreed with my thoughts, and that we needed in this country a return to the fundamental ideals and principles which have made our nation great; that they felt we had gone far afield.

We in the South have, I think, for a long time been doing a commendable and necessary self-analysis and criticism. We have had to! For one thing, the South, as a region, has often been subjected to thoughtless and inaccurate criticism. Perhaps this was only a natural, but still unfortunate, aftermath of the tragic War Between the States. For many long years it was not a question of *development* of our region; it was a problem of *survival.* We were never permitted to forget or overlook our faults and imperfections. We had little chance to be complacent. Perhaps, as a result, the South is today more realistic in self-examination and more brutally frank in self-appraisal than almost any other section of our great nation.

We know that we are not perfect and we know that we can improve. As an indivisible part of these United States, we shall continue to make our earnest and sincere contributions to the welfare of our beloved nation.

When we urge and support the fundamental principle of regional responsibility and freedom, of state responsibility and freedom, of local responsibility and freedom, and of individual responsibility and freedom, we are promoting and protecting the interests of the individual citizen in Massachusetts, New York, Minnesota, Michigan, California, Oregon, and each and every one of our many other great states just as we are attempting to hold inviolate for ourselves the freedoms that are dear to us.

It is not, in my humble opinion, in the national interest for minority groups, of whatever race, color, or belief, to be used as political pawns by either or both of our major political parties. Of course, any civilized nation has a legitimate and proper concern for the protection of the rights of individuals. Certainly, there can be such a thing as tyranny by majority rule. But what we are faced with today is, in my opinion, exactly the reverse. It is high time that more of our political leaders came out for the "majority" in this country instead of persisting in an unsightly scramble to appease "minorities."

What we need in both of our major parties and in all sections of this nation is love and concern for our country first with political expediency or advantage placed last. I am sure that my fellow governors in the Southern Governors' Conference agree with me in this.

There is more to the South and southern living than economic or political development—important as they may be. We have a way of life which we as southerners understand and appreciate. It has been said by a North Carolina writer that it is a life of the senses:

Sense of place. Most southern families have their roots deep in southern soil. We have a strong and instinctive feeling for the old homeplace.

Sense of family. Where but in the South would you talk about a third cousin once removed? Wherever we go in the South we can find "kinfolks"—bless 'em.

Sense of oneness. When two southerners meet anywhere in the world, they establish a contact of brotherhood, based on a shared past, however remote, born in the suffering of war, nurtured in the poverty of lean years, and cemented by the heat of criticism.

Sense of proportion. Graciousness has its place in the scheme of things, along with efficiency; southerners seem to appreciate the fullness of life itself.

Sense of humor. This is a traditional part of southern living. Storytelling, whether tall tales or short ones, has always been favorite entertainment and greatly relished at the family table, on the front porch, over the yard fence, or down on the river bank.

Sense of religion. The South has long been regarded as the "Bible Belt" of the nation. Regard for church, the Bible, and Christian teachings is an abiding characteristic of our people. It reaches straight back to the God-fearing, independent, devout colonists who first settled our land.

In planning for this conference, it seemed that at least one part of the program should be devoted exclusively to a subject which would bring out, in part at least, some of the fundamentals to which I have referred. At our Tuesday luncheon we have the subject, "Can a Southerners Be Elected President?" We could have stated it, "Why Can't a Southerner Be Elected President of the United States?" However, we would rather put it a little more in the positive vein, because that gives indication of a greater faith, not for the special preferment of an individual from this particular section of our nation, but faith that we shall soon see the day that our nation will recognize and accept the true contributions that our region and its leaders can make to the national welfare.

Let me urge all of you to participate in these sessions we are privileged to have during the next three days. I believe that our discussions on highways, schools, industry, civil defense, and nuclear energy will be of great help to us in rendering better service to our states, our region, and our nation.

Again, may I say that we welcome warmly all the member governors of this conference, with your staffs and your families; and we extend a cordial welcome to all the representatives of the press, radio, and television.

Thank you.

REMARKS IN OPENING A ONE-HOUR EDUCATIONAL PROGRAM ON THE OFFICE OF GOVERNOR

RALEIGH

September 27, 1957

[WUNC-TV was initiating a new series of hour-long shows entitled "The Affairs of State," designed to explain the operation of state government. The first program featured the work of the governor's office and was telecast direct from his office in the State Capitol. The Governor outlined the duties and responsibilities of his office and then introduced members of his office staff, the Council of State, and other prominent state officials who were present for the occasion.]

My Fellow North Carolinians:

At the outset, let me congratulate Station WUNC-TV for undertaking this series of television programs. It will give the people of North Carolina a wonderful opportunity to learn about the actual workings of the executive branch of their state government from the men and women who head its many departments and agencies. At the same time, it will afford many of the officers of our government a chance to explain the roles of their respective agencies in the service of the state and its people.

I have been asked to talk with you for a few minutes about the office of the governor of North Carolina, and to try to give you some idea of the nature and range of the responsibilities of that office.

When I became your governor in November of 1954, I was almost overwhelmed at the magnitude of the job—at the immense variety of duties which law and custom assign to the governor, and at the heavy responsibilities and unique opportunities for service which are his.

The governor's office as I found it and as it exists today is the product of three centuries of our history as a colony and as a state. It grew as North Carolina grew.

From his early status as an almost powerless figurehead, elected by the General Assembly, the governor of North Carolina has come to be an influential chief executive. In response to the needs and demands of our people, the services and activities of state government have become increasingly numerous, wide-ranging, complex, and costly. This vast growth of state government has brought increasing need for effective supervision and administration of state affairs. In the past, there have been many outstanding and patriotic men who have served North Carolina as governor.

You might ask, who can become governor? The constitution requires that a person be thirty years old, a citizen of the United States for five years, and a resident of North Carolina for two years, at the time of his election. These are the minimum requirements set forth in our constitution. A person who has been elected governor for a full four-year term cannot run for the immediately following term. However, if he comes to the office from the lieutenant-governorship upon the resignation, removal, or death of the prior governor, as was my experience, a governor is then allowed to seek a full four-year term of his own.

The governor of North Carolina draws his authority and influence from several sources; from the state constitution, which establishes his office; from hundreds of statutes, enacted over many years, which set out in detail a great many of his duties; from his position as the titular head of his political party; and from his position as the ceremonial head or "first citizen" of the state.

Now I want to discuss briefly some of the most important duties and responsibilities of your chief executive. In the time we have, only a few of his countless duties, official and unofficial, can be considered.

The constitution of North Carolina vests in the governor "the supreme executive power," and requires that he "take care that the laws be faithfully executed." He is required by law to supervise the conduct of all executive officers, and to see that their duties are performed. He is the sole representative of the state in its relations with other states and with the United States government. He prepares and administers the state budget. He is expected to keep informed on what goes on in state government, and for that purpose he can require reports from any state officer or agency, and can make audits of the records and investigations of the activities of any agency or institution of the state. In one way or another, the governor's duties extend to just about every activity of state government.

At this point, it might be worth while to observe that while the governor is the "supreme *executive,*" he is not the *"sole* executive," as is the President of the United States. There is a big difference involved here. The President appoints his own cabinet, and its members are responsible to him. On the other hand, our Council of State (which is the nearest thing we have to a cabinet), is made up of seven officials who are elected by and responsible to the voters of the state, and who have their own powers and duties fixed by law. We have had and now have many able men serving in these constitutional offices.

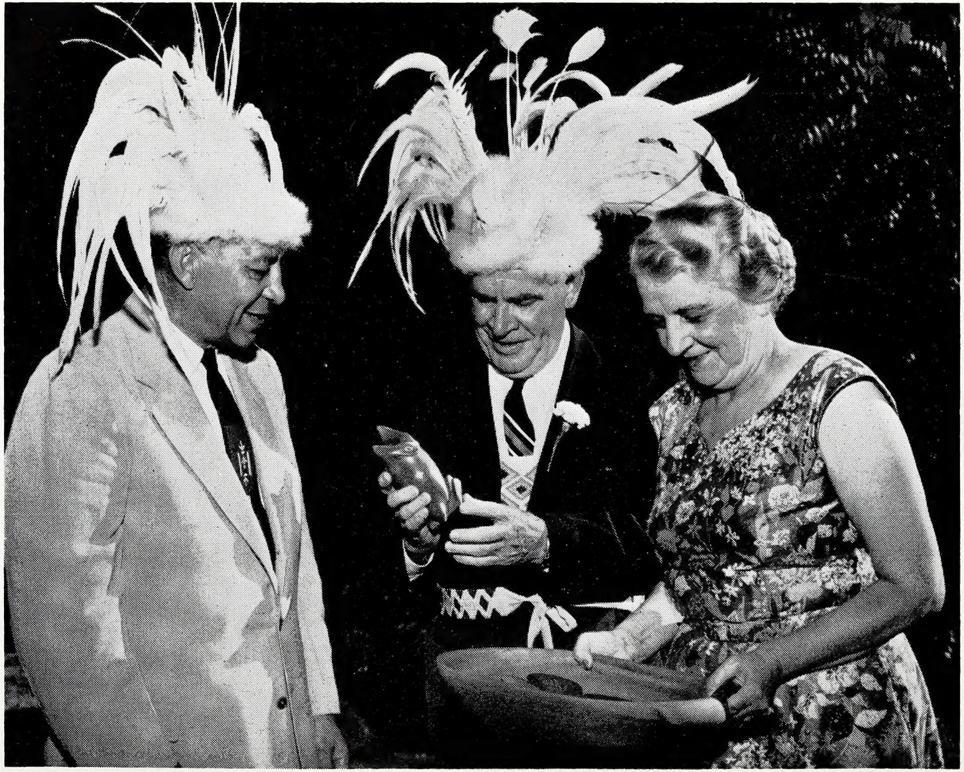
Our constitution gives the governor no direct part in the lawmaking process. One of the best known facts about our state government is that, of all the governors of all the forty-eight states, the governor of North Carolina is the only one who cannot veto laws enacted by the state legislature. Yet a considerable part of the most important legislation enacted by any General Assembly consists of bills which have been introduced at the request of the governor or with his approval. Why is this so?

The governor is charged by the constitution with the duty to "give the General Assembly information on the affairs of the state, and recommend to their consideration such measures as he shall deem expedient." He does this by means of his biennial message at the beginning of each session of the legislature, his budget message, and special messages to the legislature. Both long tradition and his commitments to the voters of the state require every governor to present a program—a well considered plan of action for the betterment of the state and its people.

Such a program ordinarily requires the enactment of new legislation, and it may require appropriations of money or the approval of bond issues. It is up to the governor to see that the necessary legislation is prepared and introduced, and that the members of the General Assembly are convinced of its importance to the people of the state. No other officer in state government has the duty, the opportunity, and the facilities for taking a state-wide view of the present and future needs of our people, and for devising and carrying out a comprehensive program to meet those needs. The people understand this, the members of the General Assembly understand it, and they expect every governor to offer a constructive and forward looking program, get it approved by the legislature, and then carry it out for the benefit of the whole state. . . .

Photo by Gus Martin

Governor Hodges with Linn D. Garibaldi *(left)* and Chief Justice J. Wallace Winborne *(right)* on the occasion of Garibaldi's taking the oath as chairman of the State Prison Commission, July 2, 1957.



Cherokee Chief George Owl, "Chief" Hodges, and Mrs. Hodges at Cherokee, July 6, 1957.

One of the most important, and certainly one of the most time consuming responsibilities of your chief executive, is that of making appointments to hundreds of positions in state government. This task is especially heavy during a governor's first year in office, when new appointments have to be made to several top administrative jobs and to most of the state boards and commissions.

The selection of able and interested men and women to fill all of these jobs in a serious matter, for on the shoulders of the people chosen rests much of the responsibility for the honest and efficient conduct of the business of state government. Getting the best person for an important post involves more than just picking a name from among several suggested. Oftentimes it is necessary to go out and find the right man and then persuade him to take on the job. Yet, for all of the difficulties involved, the power of appointment, wisely exercised, offers the governor one of the most effective available means for setting the tone and course of state government, and for insuring that the manifold responsibilities of the government to the people are properly performed.

Unquestionably, the most important single step in making the governor of North Carolina an effective administrator came in 1925, with the adoption of the Executive Budget Act. This Act makes the governor the director of the budget, and as such the chief manager of the financial affairs of the state.

In every even numbered year, the director of the budget must gather estimates of the appropriations needed by all state agencies and institutions for the next two fiscal years, and estimates of the taxes and other income which the state can expect to receive during the same period. Since appropriation requests normally exceed expected income by a wide margin, the director, acting with the advice of the Advisory Budget Commission, must either pare down appropriations requests or propose additional taxes, or both, to the point where the budget is in balance.

The director then transmits his proposed budget to the legislature, which makes such changes in his spending and tax recommendations as it sees fit. When the legislature has enacted the appropriation and other money bills, the budget comes back to the governor to be administered by him as director of the budget. It is his duty to see that no agency spends more than its appropriation, or spends money for any unauthorized purpose. Through the quarterly allotment system, he must make sure that, even where money has been appropriated to an agency, it is not spent unless it is actually needed. And if it appears at any time that tax revenues will not be sufficient to meet appropriations, it is the duty of the director and Advisory Budget Commission to reduce all appropriations to all agencies by a sufficient percentage to keep the state out of the red.

It might give you some notion of the magnitude and importance of the governor's duties as director of the budget to remind you that the state budget for the current biennium, 1957 through 1959, totals more than $1,100,000,000, and that it is part of the governor's job to see that all of this money is spent wisely and honestly.

By the terms of our state constitution and laws, the governor is commander-in-chief of the National Guard, except when it is called into federal service by the President. The adjutant general, who carries on the day-to-day administration of the National Guard, is appointed by the governor, and so are all Guard officers. The governor is empowered by the constitution to call out the National Guard "to execute the law, suppress riots or insurrections, and to repel invasions." The use of troops to restore and maintain order has been infrequent in recent years, and has occurred then only when local authorities have found conditions beyond their control and have called on the governor for help.

State civil defense legislation gives the governor general direction and control of the state's civil defense organization, and he is granted extensive authority to prepare for and cope with the results of enemy attack and natural disasters, such as hurricanes.

Although the governor no longer has the power to parole prisoners, he can grant reprieves, commutations, and pardons to persons convicted of crime in the state courts; and such acts of clemency are frequently sought and occasionally granted. The governor is president of the Board of Trustees of the Consolidated University of North Carolina, chairman of the State Council of Civil Defense and of the Armory Commission, and a member of a dozen other state boards and commissions He is the keeper of the Great Seal of State, and must issue commissions to a number of elected state officers. With the Advisory Budget Commission, he fixes the salaries of several state officials. He is the ultimate arbiter of disputes between state agencies, where the question involved is one of administrative policy and not of law. All meetings of the Council of State are called and presided over by the governor; and he shares with the Council of State and the state treasurer extensive responsibilities in connection with the deposit or investment of state funds, the borrowing of money by the state, and the sale of state bonds.

By custom almost as strong as law, the governor has become the foremost salesman, champion, and defender of his state; the main spokesman of his political party; and usually the busiest speechmaker between Manteo and Murphy. While many a governor has grown weary under the weight of his public appearance schedule, all have recognized it as an invaluable means of keeping in touch with the people of North Carolina, learning their grievances and their needs, ascertaining their strengths and shortcomings, and sharing their hopes and ambitions for themselves and for their state.

You may be wondering how much you pay your governor for these services. He receives a salary of $15,000 a year, a travel expense allowance of $5,000 a year, and an allowance of $6,000 a year to meet in part the heavy expenses of food for his family and the thousands of citizens and guests of the state who are invited to the Governor's Mansion each year. The state provides its governors with an official residence in Raleigh, known as the Governor's Mansion, where he is required to live during his term of office.

Perhaps in the course of these comments, I may have given you the impression that the governor himself carries out all of the duties which the constitution, law, and custom assign to him. That would be a physical impossibility. While the governor is ultimately answerable to the people for the performance of every duty and the fulfillment of every responsibility of his office, a large part of the actual work involved must of necessity be carried on by many top level administrators and his office staff.

[Here the Governor introduced Edward L. Rankin, Jr., his personal secretary; Robert E. Giles, his administrative assistant; and Paul A. Johnston, head of the newly-organized Department of Administration. Others present and taking part in the program included: Lieutenant Governor

Luther E. Barnhardt; Thad Eure, secretary of state; Edwin M. Gill, state treasurer; Charles F. Carroll, superintendent of public instruction; Charles F. Gold, commissioner of insurance; George B. Patton, attorney general; Capus Waynick, adjutant general; General Edward Griffin, director of civil defense; and Colonel Harry E. Brown, director of hurricane rehabilitation.]

REMARKS IN REPORTING ON NEGOTIATIONS BETWEEN THE PRESIDENT OF THE UNITED STATES AND THE GOVERNOR OF ARKANSAS WITH REFERENCE TO REMOVAL OF TROOPS FROM LITTLE ROCK

PRESS CONFERENCE—RALEIGH

October 3, 1957

[The Southern Governors' Conference, meeting at Sea Island, Georgia, on September 25, 1957, appointed a committee composed of Governor Hodges, Governor LeRoy Collins of Florida, Governor Theodore McKeldin of Maryland, Governor Frank Clement of Tennessee, and Governor Marvin Griffin of Georgia (who did not serve), to negotiate with President Eisenhower and Governor Orval Faubus of Arkansas in an effort to find "a constructive solution" to the Little Rock school integration crisis and to seek "the withdrawal of federal troops from Arkansas at the earliest possible moment." At his press conference on October 3, 1957, Governor Hodges, who had acted as spokesman for the committee, gave a summary of its unsuccessful negotiations. The Governor had difficulty in controlling his emotions as he told the newsmen that he was "gravely disappointed" at the failure of President Eisenhower and Governor Faubus to agree on each other's intentions after both had apparently accepted the committee's plan for removal of the troops.]

The resolution (at the Southern Governors' Conference, Sea Island, Georgia) reads as follows, and this is important to keep in mind, because we never varied from what was said in this resolution. It had a preliminary statement. This was passed by the Governors' Conference:

September 25, 1957

> The situation in Little Rock, Arkansas, is a matter of grave concern. It is imperative that a constructive solution be found.
>
> A committee of this conference, appointed by its chairman, should request a conference or conferences with the President and the governor of Arkansas, separately or jointly, seeking the withdrawal of federal troops from Arkansas at the earliest possible moment.

Following enactment of the resolution, we contacted Governor Faubus. I called him personally and told him what the resolution was, asked him what he thought of it, and would he go along in negotiation along those lines with the President, and that we would keep him constantly advised. The answer was "yes." At the direction of the committee, Mr. Frank Bane (secretary of the Southern Governors' Conference as well as the National Governors' Conference) put in a call to the White House, read them the resolution, asked if they would grant the conference, and if they would agree to go along with these deliberations and negotiations. The answer there was "yes." The thing we then wanted to find out was when would we get the confirmation from the President and when would the conference be. We did not reach the President for some hours. This was Wednesday. We got the answer sometime late Wednesday night, saying that there would be a conference arranged and that the President "will be glad to meet you to discuss the problems of integration." This is old history I am reviewing.

When that was reported to me, I advised Governor Collins to send the President a wire and point out to him that we were limited in our discussion to what the resolution said. And I have the original wire from Collins to me in which he tells about the wire from the President and he repeats to the President that we are limited by the resolution. He then quotes the resolution which I have just read to you. Governor Collins' wire did add that if any individual governor, as governor of a state, wanted to discuss other problems, he could do so. I might say parenthetically we never got to that point. The whole discussion revolved around the one situation on how to get troops out of Little Rock.

On Tuesday morning at Washington, we met with the four members of the committee, Governor Griffin of Georgia being absent, as he said on interpretation of the wire from the President. We thought that the telegram from Collins to the President made Griffin's decision unnecessary, but that was up to him, and we respected him for whatever he wanted to do. The committee met for four hours in an apartment in the Mayflower to discuss what we would say, how we would say it, and what we would propose. We agreed unanimously on the statement that we would make to the President, the basic conclusion about withdrawing troops and returning the National Guard to the Governor, and that the Governor would maintain law and order. After that we reported to Governor Faubus what we were going to do, what we were going to say. He said, "All right, that's all right. Let me know, after you have met with the President, because you may have different conclusions, and I would like to know that before I give you a final answer as to how I feel." Naturally we agreed because Governor Faubus, so to speak, was the other side of the table at which we were trying to mediate.

We met with the President at 2:30 p.m. Present were the four governors, Mr. Bane, the President, his right-hand man Sherman Adams, and Mr. Howard Pyle, who is his inter-governmental relations man. That was the total group in the White House conference. The President made opening remarks leading up to his decision at Little Rock. He was good enough to say in his opening remarks, "I understand that you gentlemen are restricted by your resolution to the discussion of this situation." I immediately, as spokesman for the governors' group, confirmed that that was our limitation and that we would have to abide by it. Without going into details of what was discussed, I can say that it was a very frank discussion, and in the interest of removing troops and what it meant to the national interest to return to the sovereign state its right to maintain law and order and handle the facts.

We then recessed to a conference room where we met with Mr. Adams, Mr. Pyle, and also Mr. James Haggerty, the President's press secretary. He was the only other White House staff person that joined in the discussion during the afternoon. We finally worked out, after two or three hours, a joint statement. It was agreed that it would be a joint communication between the White House and the governors. After we had gotten it drafted—and I will give that to you—we called Governor Faubus and asked him if he agreed with what we put out, meaning all of it. He approved, in its entirety, the joint communication. Then we said to him, "We have a suggested statement here which ties in with the communication which we propose you release to the press in a few minutes. Would you send a wire or give a press release from Little Rock along these lines and recognizing these particular things." I talked with him, Bane talked with him, and he said "yes." I said "I hope there is complete understanding, there can't be any differences"—they're not my exact words—"in the approach of what is agreed to, because this thing is of national interest."

(I am going to give you members of the press, before you leave—and that will be for all of you—I am going to give you the original suggested press release and then Governor Faubus' actual release, so that you may have full record for whatever comment you want as to what the differences were.)

After the telephone conversation with Governor Faubus, we went into a press conference in Mr. Haggerty's office and all the news services were there. We tried to answer questions and tell them what the story was. It was said, and I wish it had been said even more conclusively—it was said by Mr. Haggerty and by me, representing the governors—that, of course, this agreement is dependent upon what Governor Faubus wires back, but it looks like "it," and we said that in complete sincerity.

There was put into this statement, which we assumed was in complete agreement, the basic idea of returning the responsibility of law and order and that, therefore, meant turning back the Guard to the Governor. The proposed agreement included those statements that Governor Faubus would preserve law and order and would not obstruct orders of the federal courts. It was turned the other way around—the orders of the federal courts will not be obstructed. That was put in there in view of the fact that governors don't carry out the orders of federal courts, but they don't obstruct them.

After the press conference, I was asked by some of our North Carolina group and others, including several television cameramen, if I would re-state briefly some of the things we had agreed on. I made it terribly clear at that point, and I think the records will show that—I said that, "This is a patriotic compromise, not a compromise of principle, but a compromise of feelings so that this national matter can be settled, and I am extremely hopeful," I said, "that this will be it, but we will not know until after we hear from Governor Faubus." We thought we would hear from him in an hour. However, we went back to the hotel and had heard nothing during the next two hours.

We finally heard from somebody, I think it was one of the staff at the White House, who called and said, "We have a statement from the press services and it doesn't seem to be to our satisfaction," etc. We did not have a copy of the statement. We called the office of Governor Faubus to ask him about what happened, why these things we heard intimated were put in, so that we would know his thinking, because there are always two sides to the question. We never reached Governor Faubus, never have talked with him since that late afternoon in the White House at the time we read him the suggested resolution. His secretary, one of his staff, read to us the press statement that had already been released and which we had heard about about thirty minutes before. I said, "Try to reach Governor Faubus in five minutes if you can." And we never have reached him.

I wanted to recall all of that so that you would understand the whole story. Now, after this happened we found out later from the wire services that the President had said that he could not accept Governor Faubus' statement because he (the President) did not have what he called full assurance. During a network telecast in which Governor Clement and I participated later, I made the comment that I didn't like to argue about words, but the words added "by me" may have been what the White House said because that looked like it meant that somebody else might create disturbances or obstruct, but the Governor would not as an individual, but that I was not in a position to determine that. That was late Tuesday night.

I asked Mr. Bane that night about 11:00 if he would go to Little Rock and see Governor Faubus, find out what the story was, what his position was, and how it could be handled. He went to Little Rock and I talked with him last night at 6:00. He told me that the problem involves a lot of local situations there. Governor Faubus has his own political problems, political enemies, etc. He has his own pressures bearing down on him and he had already given a press conference yesterday morning before Mr. Bane got there and I report, to put it in quick fashion, there is nothing more to be done at the moment.

I would like, in conclusion, to summarize and say firstly, our only mission as authorized by the Southern Governors' Conference was to see what could be done to have federal troops removed from Little Rock at the earliest possible moment. I have not liked nor do I like the use of troops, and I said so respectfully but firmly to the President of the United States.

Our committee worked long and hard on the problem before and during the conference at The White House. I was proud to have been associated with the committee in this effort. I believe, and I say this with deep feeling and with a national interest beyond my own, that the committee made a real contribution to a better understanding of the problems involved in the use of federal troops at Little Rock or elsewhere.

It should be clearly understood that our committee never took a step without discussing in full with each side, with all the governors present, and always obtaining the full approval of each side before proceeding further. This was done in the preparation of the joint statement issued by the President and the committee, as well as the proposed statement to be issued by the Governor of Arkansas.

Like the other members of the committee, I was gravely disappointed at the last minute failure of the Governor of Arkansas and the President to agree on a satisfactory declaration of intentions with reference to the removal of troops and the maintenance of law and order. Our committee made every effort to impress upon the President and the members of his staff present that the use of federal troops at Little Rock has caused deep concern throughout the South and the nation. The integrity of each sovereign state must be protected and the use of troops anywhere weakens our relationships.

The stakes at Little Rock are too high for men of good will and patriotism to lose hope. A solution to the problem must be found and can be found, and we must find this solution without being called Democrats or Republicans and without being called segregationists or integrationists. Now I would like to say earnestly at this point, this is not a time for partisanship or personal ambitions for office or favors. I would deeply resent, personally, any intimation or insinuation that I personally am running for or interested in any office, in any higher office. I had rather make a contribution to the understanding and peace in this great nation than to have the highest office in the land.

We in the South believe in law and order as much as any Americans. We believe law and order must be maintained by local and state authorities using the enforcement people that are at their command. Our people are patriotic and our record in both war and peace proves it.

I recognize that the Governor of Arkansas, just as any other governor, is in a very hard position because of the pressure of the last several weeks and has problems that the other side does not always understand and the public can never appreciate because they do not know all the intimacies of it. I recognize also that the President of the United States who, as he said, is sworn to uphold the law, has pressures on him of certain kinds. But I also feel that the national interest is greater than either one of them or their pressures. And I want to say this. I am sorely disappointed that a seeming agreement which we had to remove troops has not been consumated. I devoutly hope that the two distinguished Americans and public servants, namely, the Governor of Arkansas and the President of the United States, will yet yield to resolve this issue which affects all Americans.

I think that if you read, as you will, this statement of these two, at least one proposed, the other actual, if you will read them objectively, you will find that there is a great area of agreement which might be arrived at, and I am very hopeful as time moves forward, there can be a resolution of these things. As far as the committee is concerned and I talked to Governor Collins late last night, our committee is going to stand by. I personally see nothing that may be accomplished within the next few days, but I am very hopeful that time, patience, and the patriotism of the people involved will bring this issue to a conclusion as soon as possible. I didn't mean to make you a speech, but I wanted to give you the detailed steps by which this conclusion was reached and the agreement which we thought was settled, what has happened since, and my basic reasons as a committeeman and as chairman in going through these procedures.

TEXT OF JOINT STATEMENT ISSUED BY THE PRESIDENT AND THE GOVERNORS' COMMITTEE AFTER CONFERENCE ON TUESDAY, OCTOBER 1, 1957

The President today met with four members of the committee representing the Southern Governors' Conference. These members were Governor LeRoy Collins of Florida, Governor Luther Hodges of North Carolina, Governor Theodore McKeldin of Maryland, and Governor Frank Clement of Tennessee.

At the meeting the Governors informed the President that the Governor of Arkansas had authorized them to state that he is prepared to assume full responsibility for maintaining law and order in Little Rock, and, in connection therewith, will not obstruct the orders of the federal court.

The President stated that upon a declaration on the part of the Governor of Arkansas that he will not obstruct the orders of the federal courts and will, in connection therewith, maintain law and order in Little Rock, the President will direct the Secretary of Defense to return the command of the Arkansas National Guard to the Governor. Thereupon, as soon as practicable, all federal troops will be withdrawn.

TEXT OF STATEMENT DISCUSSED BY TELEPHONE WITH GOVERNOR FAUBUS AND WITH WHICH WE UNDERSTOOD HE AGREED

At a meeting of a committee representing the Southern Governors' Conference this afternoon, the President was informed at my request that the orders of the federal courts will not be obstructed and that I am prepared to assume full responsibility for maintaining law and order in Little Rock.

The President has declared that upon such assurances on my part the Arkansas National Guard will be returned to my command and thereafter, as soon as practicable, all federal troops will be withdrawn.

I now declare that I will assume full responsibility for the maintenance of law and order and that the orders of the federal courts will not be obstructed.

TEXT OF STATEMENT ISSUED BY GOVERNOR FAUBUS OF ARKANSAS

At a meeting of a committee representing the Southern Governors' Conference this afternoon at the White House, the President was informed at my request that it has never been my intention to obstruct the orders of the federal courts, that the orders of the federal courts will not be obstructed by me, and that I am prepared, as I have always been, to assume full responsibility for maintaining law and order in Little Rock.

This has been consistently my stand and viewpoint throughout the controversy.

On the basis of this assurance, the President has declared that the Arkansas National Guard will be returned to my command and thereafter as soon as practicable all federal troops will be withdrawn.

I now declare, that upon withdrawal of federal troops, I will again assume full responsibility, in cooperation with local authorities, for the maintenance of law and order, and that the orders of the federal courts will be not obstructed by me.

ADDRESS TO THE ANNUAL CONVENTION OF THE NORTH CAROLINA DIVISION, UNITED DAUGHTERS OF THE CONFEDERACY

HIGH POINT
October 9, 1957

[Two hundred members of the United Daughters of the Confederacy attending a three-day annual convention at High Point heard Governor Hodges speak at a "Historic Evening" on the second day of their meeting. The Governor cited a number of significant events and achievements in the history of North Carolina and then outlined in some detail the state's current program of preserving and publishing its historical records and restoring its historic sites and buildings. Earlier in the day he had addressed a luncheon conference on agriculture for bankers and farm leaders at Winston-Salem and that afternoon had visited the Dixie Classic Fair in that city.]

Madam President, Distinguished Guests, Ladies, and Gentlemen:

It is my privilege to meet here with you tonight where we are assembled to pay tribute to our own North Carolina past. Within recent years our state has gone forward rapidly along many lines, and we expect such progress to continue in the future. The progress that our state has made is well illustrated and typified by the fine city in which we are meeting tonight, a city that largely through its own efforts—almost lifting itself by its own bootstraps—has become the furniture center of the South, and indeed the second center of its kind in the entire nation. I pay a tribute tonight to the city of High Point and the progressive area that it represents.

As we continue to move forward, in order to keep our balance and perspective, it is of vital significance that we do not forget our past. It has been truly stated that "No man is fit to be entrusted with control of the present who is ignorant of the past; and no people who are indifferent to their past need hope to make their future great." I believe that this statement is fully as true and accurate today as it has ever been.

The members of your fine organization are rendering a great service in keeping alive the memory of our past. I wish to commend you and to express the appreciation of all our people for what you are doing.

It has not always been true that we in North Carolina paid sufficient attention to our history. For many years it seemed that we were to some extent overshadowed by the great states to the north and to the south of us. On the one hand lay the commonwealth of Virginia with its great plantations and its proud aristocracy. And on the other hand was the state of South Carolina in which was located one of the chief ports of the nation and which produced some of the leading families of the South.

It was inevitable, perhaps, that we came to think that we did not have as much history as these two great states, and perhaps others as well, and that believing this, we did not pay sufficient attention to the preservation of our history. We did not care for our records, we did not properly preserve our historic shrines, we did not write and publish good histories of our state and its component communities. Many of our people seemed to know little about our history and to care less.

As a result largely of our own negligence and inactivity, the history of North Carolina was not known to the nation or to the world. Most of the general histories of the United States were written by people from other parts of the country, especially from New England; and these writers naturally emphasized events of their own immediate area. The picture they painted became so distorted, indeed, that small skirmishes in New England were described in detail, while important battles in other parts of the country, especially those in our own state of North Carolina, were hardly mentioned, if at all. Insofar as receiving due credit for her historical achievements was concerned, North Carolina was just about at the bottom among the thirteen original states..

Within recent years, we in North Carolina have come to realize that we have a history that will compare favorably with that of any other state. Let me cite just a few illustrations.

We hear a great deal about the English settlements at Jamestown, Virginia, and at Plymouth, Massachusetts. Actually, as all of us know, right here in North Carolina we have the site of the first English colonies in the New World. To Roanoke Island in the 1580's came these first English colonies, sent over by Sir Walter Raleigh, favorite of Queen Elizabeth I. On Roanoke Island occurred the birth of the first child born to English parents in the New World. And there was administered the first Protestant sacrament in the New World. If you are looking for "firsts" in history, you would have difficulty finding more significant ones than these. And all of this occurred, let me remind you, some twenty years before the colonization of Jamestown, Virginia, and three and one-half decades before the landing of the Pilgrims at Plymouth Rock, Massachusetts.

Another illustration—we North Carolinians were leaders in the struggle for American independence. In many ways this was true, but let me mention only one instance. By our famous Halifax Resolves, April 12, 1776, a date that is on our state flag, North Carolina was the first of the thirteen colonies to give official sanction to a Declaration of Independence. The second state to take such action was our good neighbor Virginia—but Virginia did not act until more than a month later.

Our state university is the oldest in the nation in point of actual operation. Chartered in 1789, this institution was opened to students in 1795. The University of Virginia was not opened until thirty years later.

In the War between the States, the conflict with which your organization is particularly concerned, our own North Carolina contributed more men to the southern cause than did any other state, and our losses were the largest of any southern state. Our motto, "First at Bethel, farthest to the front at Gettysburg . . . ., last at Appomattox," dramatizes our contributions to the southern cause.

I have cited only four examples of the significant events and achievements in our history. If time permitted, I could mention many more. But perhaps these four will serve to illustrate the fact that we Tar Heels do indeed have a great history of which we may justly be proud.

I am happy to say that we are doing more today to preserve our history than ever before. Patriotic organizations like your own, local historical societies, our counties, our municipalities, and a large number of our public-minded citizens are participating in this movement.

In our public schools we are paying more attention than ever before to the history of North Carolina; and our universities and colleges, both state and private, are cooperating toward this end.

Tonight, with your permission, I wish particularly to emphasize what your state government is doing within this general field. I will mention specifically four phases of this program.

In the first place, our historical records are being better preserved than ever before. In our State Archives in Raleigh are preserved in fireproof, air conditioned areas, literally millions of the official papers of our governors, of our various state departments, and of most of our counties, together with the private collections of many of the most important figures in our history, the largest collection of North Carolina maps in existence, every known issue of a North Carolina newspaper through the year 1790, and many other significant series of records. There are also important collections of historical source materials in our State Library in Raleigh, in the University of North Carolina Library in Chapel Hill, in the Duke University Library in Durham, and elsewhere. Certainly we cannot say today that the records of our history are not being preserved.

Second, as never before, we are publishing the materials of our history. Half a century and more ago, our state published that fine series of *Colonial and State Records* which is recognized as one of the best series of the kind published by any state. Since its establishment early in the present century, our State Department of Archives and History has published nearly fifty volumes of the original papers of various prominent North Carolinians of the past, hundreds of pamphlets and leaflets for school children and the general public, and a historical quarterly that ranks among the best in the nation. Many valuable publications in the field of our history have been published by the university presses at Chapel Hill and Durham, as well as by a number of commercial publishers. If once we failed to make our history known to the world, this is assuredly not true at the present time.

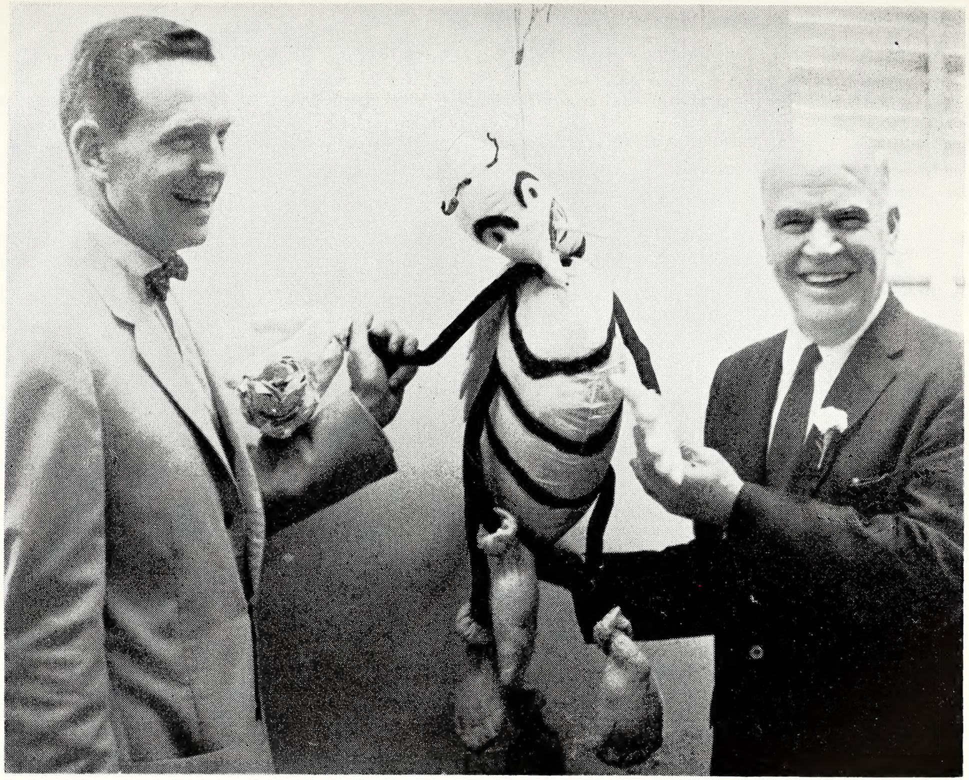
Third, in the field of historical museums we have come a long way. Our state historical museum, or Hall of History, is recognized as one of the best institutions of the kind in the United States. Here are preserved and exhibited tens of thousands of relics—guns, uniforms, tools, kitchen utensils, pictures, and many others—covering the history of North Carolina from the earliest times to the present. Furthermore, within recent years there have sprung up dozens of local historical museum, extending all the way from Fort Raleigh on Roanoke Island to the Cherokee Indian Reservation in the Great Smoky Mountains.

Fourth and finally, in preserving our historic sites, we have become very active indeed. The interest of our people in this activity is strikingly illustrated by the fact that our elected representatives in the 1957 General Assembly appropriated a total of $321,481 for the acquisition, restoration, repair, and maintenance of no less than fifteen historic sites, extending all the way from Chowan, Carteret, and Brunswick counties in the east to Buncombe County in the west.

Let me tell you a little about what is being done at some of our historic sites.

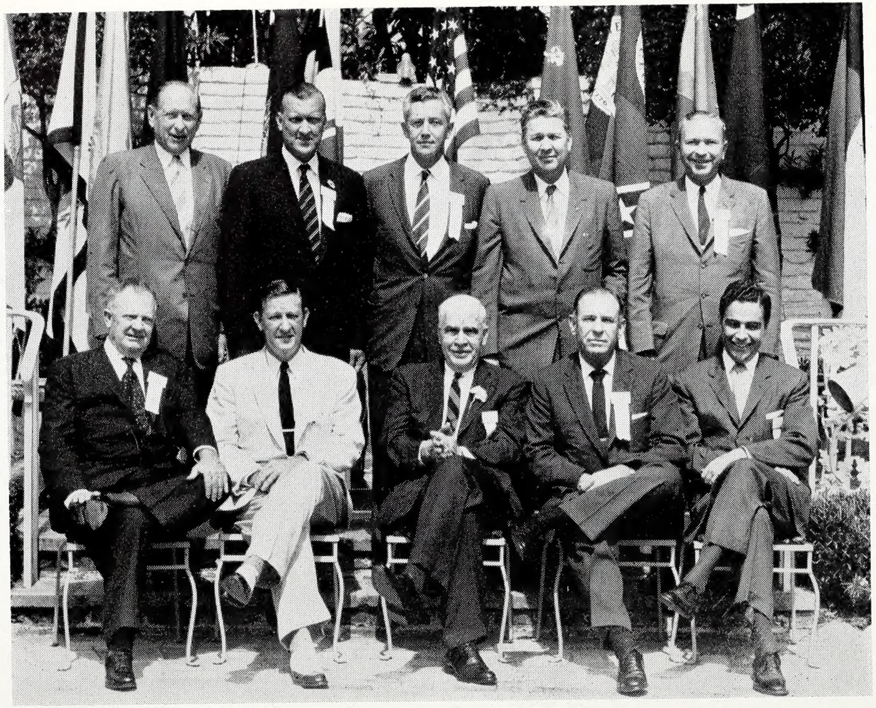
Perhaps the crowning achievement in this total program is the reconstruction of the colonial capitol in the town of New Bern. As we all know, the rebuilding of this structure, known as Tryon Palace, has been made possible through the great generosity of the late Mrs. Maude Moore Latham of Greensboro, who bequeathed a sum adequate to do the work. The reconstruction, under the supervision of a state commission ably headed by Mrs. Latham's daughter, Mrs. John A. Kellenberger, also of Greensboro, is now happily nearing completion; and it is expected that the Palace will be opened to the public within the near future. It will indeed be a great and notable achievement.

Through the efforts of a group of patriotic citizens, a few years ago the county of Lenoir and the city of Kinston appropriated funds to purchase the tract of land on which is located the grave of the first governor of the state of North Carolina—Richard Caswell. The General Assembly in 1955 appropriated funds to complete the acquisition of this property and in 1957 made a further appropriation for its development and maintenance. The



News and Observer Photo

Voit Gilmore and Governor Hodges display a "litterbug" to be used in a state clean-up campaign, September 16, 1957.



Group of participants in the Southern Governors' Conference at Sea Island, Georgia, September 23, 1957. Seated *(left to right):* Earl K. Long, Louisiana; George Bell Timmerman, Jr., South Carolina; Governor Hodges; S. Marvin Griffin, Georgia; Cecil H. Underwood, West Virginia. Standing *(left to right):* Thomas B. Stanley, Virginia; Theodore R. McKeldin, Maryland; LeRoy Collins, Florida; Raymond D. Gary, Oklahoma; J. Caleb Boggs, Delaware.

program is being conducted by a state commission authorized by the General Assembly.

Several years ago another group of public-spirited citizens conducted a campaign to raise funds for the restoration of the birthplace of the great Charles B. Aycock, crusader for universal education, our governor at the beginning of the present century. Another state commission was authorized for this purpose and raised a considerable sum of money. The General Assembly made successive appropriations for the purpose, and in 1957 appropriated a sufficient sum to complete the work, together with a maintenance appropriation.

The largest battle ever fought in North Carolina was at Bentonville, Johnston County, in March, 1865, where General Joseph E. Johnston, though outnumbered three or four to one, managed to check for three days the oncoming force of General William T. Sherman. For years there had been talk about doing something to preserve this battlefield, but only this year was something actually accomplished. A group of citizens of Johnston and surrounding counties formed an association for the purpose, secured a substantial appropriation from the General Assembly, and then by their own hard work raised the balance of the amount necessary. Only a month ago the state acquired title to a total of fifty-one acres that include the old cemetery, the Harper House, and some of the best preserved military earthworks anywhere in the United States. The General Assembly made an appropriation for the maintenance of this property, and plans are being worked out for its development.

As we all know, the oldest incorporated town in our state is the town of Bath. Still standing in this historic town are a number of old buildings, and there are fine possibilities for development. The Beaufort County Historical Society has undertaken to preserve the old town, and earlier this year the county made an appropriation for the purpose. The General Assembly made a matching appropriation, and an active campaign is now under way to raise the additional funds that will be required.

As all of you will remember, one of the most important Confederate fortifications anywhere was Fort Fisher, near the mouth of the Cape Fear River, which protected the port of Wilmington, a center for blockade running. Within recent months a strong movement has been launched to restore and preserve this old fort as a state historic site.

One of the three Presidents North Carolina gave the nation, James K. Polk, was born in Mecklenburg County. The 1957 General Assembly made an appropriation for the reconstruction of Polk's birthplace, and it is hoped that work can soon begin.

Finally, in Buncombe County stands the remains of the birthplace of our great governor during the War between the States, Zebulon B. Vance. Successive sessions of our General Assembly have made appropriations for the acquisition and reconstruction of this birthplace, and both Buncombe County and the city of Asheville within the past month have likewise made appropriations. The property is in the process of being acquired and will be developed and maintained as a state historic site.

These are by no means all the historic shrines your state government is restoring and developing. I could mention others. I have said enough, however, to make it clear that a great deal is being done in this field. In fact, a great wave of interest in historic preservation has swept across the state in recent years.

We have accomplished much in this field, but there is yet more that we can do. The physical remains of by-gone days are fast hastening to decay, and unless we act promptly to save them, they will be gone forever. This is particularly true because of the accelerating rate of mechanization and change that is going on all around us. We are very definitely in the machine age, and unless we preserve the relics of the age that preceded this one, there will soon be nothing left to preserve.

Some of the remains that we might consider preserving are these: In the realm of transportation, we might consider, for instance, an old-time stagecoach station, an old-fashioned inn, a covered bridge, a small-town railroad station. In the field of rural life, we might seek to preserve an old plantation house, with its barns, stables, corncribs, smokehouses, and all the rest; a small farmhouse of the Piedmont, with its smaller and less numerous outhouses; and a typical log cabin of the pioneer period of our mountain area. We might seek to save for posterity a crossroads village of an earlier day, with its country store, blacksmith shop, and other well-known features. In education, we might preserve an early, one-room, one-teacher schoolhouse, and also one or more antique school buses. To illustrate the early phase of our industrial development, we might preserve an old turpentine still, a pioneer cotton mill, a tobacco factory, and a furniture factory. In addition, there are still standing the homes of a number of leading figures in our history that are in danger of eventual destruction.

These are not all the physical remains of the pre-machine age in North Carolina that we might well preserve. But they will serve as examples of what we might bear in mind.

We ought to take such action for two reasons:

(1) We owe it to generations yet unborn to see that these relics of the past do not completely disappear. There are many ways of transmitting our common heritage, but undoubtedly one of the most effective is by preserving the physical remains of that heritage.

(2) Certainly the commercial aspect should not be forgotten. We in our state are seeking to attract and develop industry, and among the largest of all our industries in the tourist business. It has been clearly proved at Williamsburg and elsewhere that historical preservation can not only pay off but also can yield a handsome profit. It would appear that we have a tremendous opportunity in this realm.

May I congratulate your organization on all the programs it is carrying on and challenge you to help the state more and more.

Just now there is a particular reason for restoring and preserving the relics of the period with which your fine organization is primarily concerned. As we approach the centennials of various events of the War between the States, there are going to be increasing interest and activity in this field. What could be more appropriate than for us in North Carolina to develop our historic shrines of the period of the Confederacy and, as the various centennials arrive, to conduct suitable celebrations in connection with each?

As a leading historian and public official of our state said half a century ago:

> We must study the past to guide and inspire the present, avoiding its weaknesses, emulating its successes and profiting by its experiences. Our life and our being are part of it—built on it. If built on honor and virtue, our future is safe; if characterless and weak, the future is less hopeful. "We must know how we became what we are in order to become better than we are."

"The roots of the present lie deep in the past, and nothing in the past is dead to the man who would learn how the present came to be what it is," "Men may rise on stepping stones of their dead selves to higher things."

Finally, let me quote to you our great Governor Charles B. Aycock: "This state of your nativity," he said, "is worthy of your love. Her history is such as to justify your pride in her. Her achievements compare with those of any other state, and make her sons, wherever they be, proud to be known as North Carolinians."

"Proud to be known as North Carolinians"—that is the note on which I wish to close tonight. Let us know and be proud of our heritage so that we build on a firmer foundation today and ascend to loftier heights tomorrow. Our state has a great and noble past. Let us preserve and care for the relics of that past, and God willing, we can build an even greater and nobler future.

ADDRESS AT A NEW YORK FOOD PROCESSORS LUNCHEON SPONSORED BY THE NORTH CAROLINA POULTRY PROCESSORS ASSOCIATION

NEW YORK CITY
October 17, 1957

[While heading a group of state officials and North Carolina businessmen on an industry-hunting drive in New York during the week of October 14-19, 1957, Governor Hodges delivered three major addresses, of which this one was the third. (See. pp. 499-500 for summaries of the other two.) Heretofore most of the attention of the party had been directed to more conventional manufacturing operations, such as chemicals, electronics, metal working, and the like. This address marked a new approach in that it was devoted to advertising North Carolina's special advantages to food processing—long growing season, proximity to national markets, and the fact that thirty-five vegetables and seven fruit crops are produced in the state. During the week in New York the Governor addressed or greeted personally more than 600 persons at five luncheons and four receptions and appeared on twelve television and radio shows. The group made personal visits to about 250 prospects in industry, business, and food distribution fields.]

I am happy to have the opportunity to attend this luncheon here today as the guest of the North Carolina Poultry Processors

Association. It is good to be here to talk with you representatives from food processing plants, food dealers, food receivers, jobbers and distributors, many of whom receive North Carolina products already.

In the ever-growing, ever-changing economic structure of our country, the southeastern states are emerging as the land of promise. Herein lie vast natural and human resources as yet almost undiscovered and untapped.

Lying in the very heart of the region, and first to awaken to its tremendous opportunities, the state of North Carolina leads the Southeast in its parade of economic progress. Such leadership is no mere accident of circumstances or geography, but is rather the result of a determined effort on the part of forward looking North Carolinians to utilize their state's many natural resources in a planned program of economic development.

Careful study has shown that North Carolina offers outstanding advantages to the food processing industry. Consequently, the state is now engaged in a vigorous campaign to promote that industry within its borders.

With its rich farm land, its long growing seasons, and its location in relation to the national markets, North Carolina provides many special advantages to food processing industries locating in the state. Very briefly, I would like to tell you about some of those things which I believe will prove North Carolina to be the ideal home for many successful food processing operations.

The soils of North Carolina are many and varied and are well suited to a wide range of crops. In the eastern half of the state the soils are predominantly loams and sandy loams which are generally excellent for fruit and vegetable production. In that area approximately 500,000 acres of well drained and highly productive land is available for the production of fruits and vegetables for processing. Land owners are willing and eager to contract for production of any processing type vegetables that can be grown in eastern North Carolina. Tracts varying in size from fifty to as much as 2,000 acres can be leased for long periods or rented by the year or season. Drainage canals are so located on this land that mechanized equipment can be utilized to the fullest extent. Long rows make it possible for mechanical harvesting equipment to be used most effectively. Along the east coast are large acreages of organic soils which have been drained and placed in pastures or in cultivation. These peat and muck soils may be compared favorably in fertility and suitability for fruit and vegetable production to areas in other states that are noted for such production.

The central or Piedmont section is characterized by medium to large farms largely producing corn, hay, tobacco, and small grains. Many of the farmers in this area are eager to produce fruits and vegetables for processing and could very well do so if they had the market.

The loamy soils in the mountain area, coupled with cool summer temperatures, offer excellent opportunities for large-scale production of both vegetables and fruits for processing. This area has large tracts of rich bottom lands well suited for the production of most truck crops. Tracts of second bottom and upland are somewhat smaller in size, but their rich properties result in fine yields of superior quality produce.

The climate of North Carolina ranges from almost sub-tropical along the Atlantic Ocean in the extreme southeastern corner to cool temperate on the highest mountain ranges. By far the greatest portion of the state is in the warm temperate belt. The frost-free period, commonly called the growing season, ranges from about 150 days in the highest elevations to 280 days in the extreme coastal area. All of the state except the mountains has a growing season of more than 200 days.

This long growing season makes it feasible in many sections of the state to grow two crops a year of such vegetables as snap beans, broccoli, cauliflower, collards, kale, mustard greens, spinach, and turnip greens.

Because of its wide variety in climate, North Carolina has the unique advantage of being able to produce fruits and vegetables over a relatively long period of time. Spring and fall crops of many vegetables may be produced in the eastern areas while summer crops can be produced in the cooler mountain regions. These vegetables supplemented by spring, summer, and fall fruits can afford a continuous operation of a plant using fresh produce from early spring through late fall. Some crops have an actual production period within the state of up to eight and one-half or nine months.

As an aside remark, I might mention that some vegetables, such as mustard greens, turnip greens, and black eyed peas, have always been considered strictly southern dishes. They are growing in popularity in other areas and they grow well in North Carolina.

The general range of annual rainfall in the state is between forty-four and fifty-four inches. The rainfall is well distributed throughout the state. Generally, the natural rainfall is sufficient to produce good crops; but farmers are becoming conscious of the great insurance value of irrigation, and it is fairly safe to say that this will be standard practice in the near future. The average annual snowfall is less than eight inches, mostly in the mountains. Some years there is little or no snow outside the mountain region, and "big snows" come along only about one year out of four.

North Carolina farmers are interested in growing fruits and vegetables as a substantial part of their farming operations. They are unable to expand the fresh market outlets to keep pace with production and would welcome the opportunity to grow these crops for processing. The state commercially produces and markets more than thirty-five different vegetable crops and seven fruit crops on approximately 200,000 acres annually. Of these, around twenty-five vegetables and all the fruits are valuable for consideration in processing.

The pickle processing industry is well established in the state. More than 15,000 acres of cucumbers are grown for pickling each year. The majority of these are processed in North Carolina. However, fresh shipment to plants outside the state appears to be increasing. The production is located in the Coastal Plain and the Piedmont areas of the state.

Large volumes of snap beans grown in the state go into freezing and canning in other states. Since 1954, several hundred acres of bush snap beans have been grown on contract for processing; and farmers are well pleased with this arrangement.

Also, since 1954, more than 600 acres of bell peppers have been grown on contract for a new plant in the state.

In the mountain counties several hundred acres of Blue Lake pole beans are grown for processing plants outside of North Carolina.

North Carolina produces more than 4,000,000 bushels of sweet potatoes annually. The processing of this product is growing in the state, but still accounts for only a small part of our production.

During the past winter, the farmers in Duplin and adjacent counties indicated their desire to support a processing plant by signing pledges to grow more than 2,000 acres of fruits and vegetables for such a plant that might locate in their area. The farmers of Warren and adjacent counties signed similar pledges for more than 6,000 acres. Groups of farmers in at least twelve other production areas have indicated real interest in the development of a food processing industry. It is clearly evident that the farmers' interest in such an industry is high.

Here are some 1956 production figures on some of our leading vegetables and fruits. In 1956, North Carolina produced 5,300 tons of snap beans for the fresh market and 4,300 tons for processors. Most of the 4,300 tons went to out-of-state processors. We produced 6,300 tons of tomatoes for the fresh market and 3,500 tons for processors. Nearly all of this processing tonnage went out of the state for processing. We produced 8,900 tons of green peppers for the fresh market and 1,500 tons for processing in the state. We produced 12,100 tons of cucumbers for the fresh market and 23,000 tons for processing, mostly within the state. As I mentioned before, this is one product that we process in large quantities. We have one plant in Mount Olive that ships North Carolina pickles all over the world. Last year the state produced 19,000 tons of cabbage and about 2,000 tons of that crop was converted into kraut in the state. We produced 1,100 tons of strawberries and none of them were processed in North Carolina.

Since 1940, North Carolina's annual apple crop has averaged 1,100,000 bushels; and its annual peach crop has averaged 1,600,000 bushels. Almost no apples or peaches are processed in the state.

So far, I have confined my remarks to the production and processing of fruits and vegetables. I think I should also mention that in 1956 North Carolina farmers marketed 152,000 head of cattle, 221,000 calves, and 1,145,000 hogs. Even though the meat-packing industry has had a remarkable growth in the state in the past few years, the fact remains that a large portion of these livestock sales were to out-of-state packers. We need more meat processing in the state.

We are proud of our growing poultry production and processing in North Carolina. Last year our farmers produced 94,087,000 broilers, and our processing plants shipped 180,327,000 pounds of processed broilers to markets outside the state. In 1956 our farmers raised 1,295,000 turkeys for the market, and our processing plants processed considerably more than that, buying live turkeys from outside the state. This does not mean, at all, that we are not looking for additional poultry processing facilities. Our farmers can easily increase their broiler and turkey production, and will do so if processing facilities furnish them a ready market. Incidentally, while on the subject of poultry, North Carolina farmers are retiring about 12,000,000 hens each year that eventually find their way into chicken pie or chicken soup or other delicacies made from baked or stewed chicken. Twelve million hens can make a lot of pie and soup.

I would also point out that every year commercial fishermen take several million dollars worth of seafood from North Carolina's coastal waters. This includes oysters, shrimp, clams, crabs, scallops, and fin fish. Crabs are about the only one of these on which any appreciable processing is done in North Carolina. By far, too many of our oysters, shrimp, and other fish are shipped to processing plants outside the state and come back to our retail market as Virginia or Maryland products or with the label of some other state. Naturally, we North Carolinians don't like that.

One of our most important natural resources is water. In the Coastal Plain, North Carolina enjoys a high average annual rainfall which provides a rich supply of water. Large ground water supplies are available, and surface water supplies are large and generally of good chemical qualities.

In the Piedmont plateau and mountain ranges, moderate supplies of high quality ground water are available from bedrock. Large industrial and municipal supplies are obtained from rivers and streams.

North Carolina is taking active measures to conserve and develop the water resources throughout the state. Through the cooperation of state and federal agencies, an important contribution to the water resources program has been a long-time study of water supplies. Records of flow and chemical analysis of streams and rivers throughout the state have been made and are available.

Many areas of North Carolina have plentiful supplies of water particularly suited for processing operations. Location and analysis of a water supply is offered as a service to prospective food processors by the North Carolina Water Resources Commission and North Carolina State College laboratories.

Whether a processing plant uses coal, oil, or natural gas as a fuel, you will find adequate fuel supplies reasonably priced in nearly any section of North Carolina. The proximity to the West Virginia, Virginia, and eastern Kentucky coal mines enables this product to be shipped into the state at a fairly low freight cost. A check of freight rates from the nearest mine to more than 100 points in North Carolina indicated that the 1956 average carload rate from the mine to a point in western North Carolina was $3.59 per ton. The rate from the mine to the average point in the Piedmont section was $4.11 per ton, and the average rate from the nearest mine to a point in the Coastal Plain area was $4.51 per ton.

Plantation Pipeline has petroleum products terminals at Charlotte and Greensboro in the Piedmont area, and the state ports at Wilmington and Morehead City have terminals of most of the petroleum products producers. The result is that the price of petroleum products is reasonable at almost any point in the state. A survey made last year indicated that the average delivered price in carload lots of "Bunker C" fuel oil varies from 7.8 cents per gallon in the Coastal Plain area to 9.2 cents per gallon in the mountain area. Due to the proximity of the terminals to almost any point in the state, delivery service is excellent and makes it unnecessary for a carlot consumer to maintain large inventories of fuel oil.

The Transcontinental Gas Pipeline Corporation has a pipeline running from southwest to northeast through the Piedmont section of North Carolina. A half-dozen natural gas distributing firms have allocations from this pipeline, and a large number of our North Carolina communities are now served through these facilities.

An additional gas line is being constructed in the eastern part of the state, and we hope that many of the communities in that section will have natural gas available by the spring of 1958.

Adequate quantities of electric power are available throughout North Carolina. Installed generating capacity has increased from 1,760,000 kilowatts in 1950 to 3,043,500 kilowatts in 1955. Power plants now under construction will bring the state's installed capacity to 3,819,500 kilowatts by the end of 1958.

Requirements for electric power in North Carolina have always been met without delay. Power suppliers constantly anticipate the growth and progress of the state, thereby insuring that adequate power continues to be available at reasonable rates.

North Carolina ranks second among the states in the number of electrified farms. Today electrification is available to 96.9 per cent of the total farms in the state.

Whether your goods are transported by railroad, motor carrier, water, air, or your own trucks over the highway, you will find North Carolina's transportation facilities more than adequate.

The North Carolina Highway Commission has direct jurisdiction over a total of approximately 70,000 miles of highways, roads, and municipal extensions—more than any other state agency in the nation.

The state is interlaced with main lines of six major railroads: the Southern, Norfolk Southern, Atlantic Coastline, Seaboard Air Line, Clinchfield, Norfolk and Western. These and other lines have a total of 42,515 miles of track in the state, reaching from the coast to the mountains, and from the North to the South.

No state in the nation can boast a better or more complete motor carrier service than can North Carolina. The state has 575 authorized common carriers operating several thousand pieces of equipment and more than sixty contract carriers operating several hundred pieces of equipment. These groups work closely with industry, delivering equipment and raw materials to plants and transporting the finished products of our industry to markets all over the nation.

There are more motor carriers domiciled in, operating into, out of, and through North Carolina than any other state.

North Carolina has two modern seaports, at Wilmington and Morehead City. They are operated by the State Ports Authority. There are twenty feeder ports along the inland waterway, rivers and sounds that have twelve feet of water. Many of these ports are actively engaged in water-borne transportation by barge and small vessels.

Six commercial airlines serve North Carolina—Capital, Delta, Eastern, National, Piedmont, and Southern Airways. Piedmont's headquarters are in Winston-Salem. All of the principal cities in the state are close to commercial airports and many of the smaller towns are served by feeder lines. Small municipal air fields and landing strips are scattered throughout the state. Flying time from Raleigh, our capital city, to New York is two hours and twenty-five minutes; to Chicago, four hours and five minutes; and comparable times are available to other large cities on the eastern Seaboard, and in the Middle West.

Now a word about taxes. The state government of North Carolina levies no taxes on real or personal tangible property. This source of revenue is reserved for the local government. Since the state has the responsibility for financing all highway construction and maintenance and the operation of the public schools, the local government taxes are relatively low.

The county tax rates on property vary from 62 cents to $2.08 per $100 of assessed valuation. The assessed valuation varies from about 25 per cent to approximately 40 per cent of actual market value.

The tax policy of North Carolina is distinguished for its stability. Reasonable and fair tax treatment of business and industry is a fixed policy of the state government. The state cannot create a legal deficit. It may not borrow in excess of two-thirds of the amount of debt retired during the preceding biennium without voter authorization.

The 1957 General Assembly revised our corporation tax laws, after a two-year study by a tax study commission, so that now our tax allocation formulas and tax program are more realistic and fairer to outside corporations than they have ever been, and compare favorably with other states in the union.

In the case of corporations with special problems involving the application of our tax laws, the state has a Tax Review Board to which any business or industry can appeal.

And now I wil touch on the subject about which I am most enthusiastic—our North Carolina labor supply. In the state there is a large reservoir of efficient and dependable workers for industrial employment. They are a friendly, wholesome people, over 99 per cent native born, who largely own their homes and have an important stake in their community, state, and nation. At least 160,000 workers are estimated to be available for industrial employment in North Carolina. They are a people who do not know what it means to shirk on a job and who believe implicitly in giving a fair day's work for a fair day's pay. I have worked in North Carolina industry thirty years, and believe I know North Carolina people.

North Carolina has a splendid record of labor-management relations. Cooperative, intelligent, native-born people who are easily trained are proven assets to industry in North Carolina.

The North Carolina employment service, through fifty-five local offices, makes special efforts to provide assistance in staffing new and expanding industries in the state.

The Division of College Extension at North Carolina State College, the Division of Apprenticeship Training of the North Carolina Department of Labor, and the Division of Vocational Education of the North Carolina Department of Public Instruction have facilities to assist industry in training programs.

I know that markets are one of the prime concerns of all you gentlemen. North Carolina certainly has a strategic location from the standpoint of markets for processed foods.

Within a radius of 500 miles of the state is more than one-half of the total population of the United States. This population consumes 3,700,000,000 pounds of processed vegetables and about 3,500,000,000 pounds of processed fruits annually. North Carolina people alone in 1955 consumed 146,547 tons of canned vegetables and 14,354 tons of frozen vegetables. Virginia, North Carolina, South Carolina, and Georgia consumed 470,864 tons of canned vegetables and 46,456 tons of frozen vegetables. When one of our agricultural economics men at State College was asked what proportion of this tonnage was canned or frozen in the states themselves, he said it would be almost negligible.

Location in North Carolina puts a processor right in the middle of one of the fastest growing markets in the country. One of the largest banks in the world has predicted that within fifty years Atlanta, Georgia, would be the largest city in the world and that Charlotte, North Carolina, would be the second largest.

According to *U. S. News & World Report,* a continuous "strip city" will exist between Durham, North Carolina, and Atlanta, Georgia, by the 1980's. You may regard these as simply wild-eyed prophesies, but we do know that the Southeast is the most rapidly expanding market in the nation and that its vast potential cannot be overlooked by forward-looking businessmen.

And now in closing, I want to talk just a minute about those intangible things that make my state a good state in which to live. I understand that a lot of fairly intelligent people in the North still seem to think that the South is one great wilderness where civilized man is just beginning to penetrate.

North Carolina has long prided itself on the fact that it is not only a good state in which to work and earn a livelihood, but that it is also a good state in which to rest and play and live and rear a family. The natural factors which have made it so—climate, forests, streams, mountains, plains, and seashore—have been enhanced by the provision of those social amenities which provide cultural advantages as well as facilities for good health and personal well-being.

North Carolina has approximately 1,000,000 pupils enrolled in its public schools. About half of these are transported 250,000 miles a day in 7,260 buses, the largest school bus fleet in the world.

Whether the pupil lives in the sparsely populated Outer Banks region on the coast, or in the mountain coves of the Great Smokies and Blue Ridge to the west, or in the populous cities, he is guaranteed at state expense nine months of school each year, through the twelfth grade.

For education above the high school level, there are thirty-two fully accredited senior colleges in North Carolina. Of these, twelve are state supported. There are twenty-five accredited junior colleges and one theological seminary.

The three largest state-supported colleges—the University of North Carolina, North Carolina State College of Agriculture and Engineering, and the Woman's College of the University of North Carolina—are operated within the Greater University of North Carolina. The state has six tax-supported colleges for teachers.

North Carolina has a church-going population of more than 2,300,000 people, distributed among sixty-seven denominations.

There are approximately 7,000 churches in the state representing the Protestant, Catholic, Jewish, and Greek faiths.

Every one of North Carolina's 100 counties has public health facilities, and 95 per cent of the state's population have hospitals available in their counties. The remaining 5 per cent have hospitals in adjacent counties. Immunization clinics and preventive medicine programs are offered in health centers in each county and in the various communities, including the schools.

Nearly every North Carolina community of over 5,000 population has an organized recreational program of some type. Many of them have full-time, year-round programs. Many smaller communities have similar programs, and more are providing part-time or organized seasonal recreation opportunities. The state recognizes recreation as an important resource of industry. It is recognized for the contribution it makes to increased productivity, improved morale, better safety records, longer tenure of workers, and more satisfactory mode of life.

Whether the North Carolina resident likes mountains, beaches, fresh or salt water fishing, golf, big or small-game hunting, he has them in abundance. The Blue Ridge and Great Smoky Mountains cover the western third of the state with such attractions as the Blue Ridge Parkway and the Great Smoky Mountains National Park, the most visited of all the facilities operated by the National Park Service. In the central area are the Sandhills resorts, offering mild winter temperatures, and on the coast are fine beaches and the National Seashore Recreation Area, the only national park of its kind in the United States. Off the coast is also big game fishing which includes some forty-eight species.

There are twenty-eight state and federal parks, forests, and historic sites in North Carolina. There are seventy lakes in the state with recreational facilities. The ten state parks are endowed by nature with ideal sites that range from the shores of the Atlantic Ocean to the tops of the Blue Ridge Mountains. The state has located its parks for easy access as well as for varied appeal, and they offer excellent opportunities for economical vacations in modernly equipped cabins and camp grounds.

North Carolina is "Variety Vacationland"—and North Carolina is good for your business.

ADDRESS AT THE FALL MEETING OF THE EASTERN NORTH CAROLINA PRESS ASSOCIATION

SMITHFIELD

October 25, 1957

[The Smithfield *Herald* was host to this gathering of eastern North Carolina newspapermen at the Smithfield Country Club. Governor Hodges directed his remarks to the economic problems of eastern North Carolina, stressing in particular the need for more industry and less reliance upon tobacco as the chief source of agricultural income. In a forthright statement on this subject he warned the leadership of the area that it was time "to realize what is happening to our tobacco economy and to do something about it."]

It is always a pleasure to meet and talk with newspaper people. We have many fine newspapers in North Carolina and some of my best friends, as well as some of my severest critics, are members of the press. I have great admiration for the record of outstanding public service rendered by so many of our newspapers—non-daily, small daily, and state-wide dailies. I am constantly impressed with the fact that you newspaper people have a way with words and a power of expression that can move readers and influence them. What a talent this is—what a blessing—and what a public trust!

It is your job to use the words of our language to open up the eyes, ears, heart, and mind of our people by informing them of the events of the day. What is this commodity of yours—news? Our mutual friend, Henry Belk, recently tried his versatile hand at a description of news. In part, Henry Belk wrote, news consists "of man's relation to man, of man's learning what life means, of principles of truth and beauty, of ability to determine one's own place in life, of what makes courage, of what makes weakened souls, of the nature of war and peace, of things to live by, of the comfort of religion, and the great faiths, of the essential goodness of all men, of the eternal and everlasting climb of man from his ape-like beginning to an even higher plane."

He continued: "It is a balance one against the other. It is the mirror of life, of the reflection of the little things which man gives himself to, his bornings and his dyings, his babies, his church, his clubs, his comings and his goings, and of his great loneliness and his need always for assurance of such is news."

Mr. Belk also pointed out that news consists of murders, fires, disasters, wars, human destruction and brutality. This is all true. However, to the newspaper reader it often seems that the balance of man's evil versus man's goodness is lost in the fast shuffle of competitive news coverage.

As a newspaper reader, I recognize that newspapers are for the purpose of reporting the news of the day, whether good or bad. Recently I read an editorial which said that "newspapers do not make news, they merely publish it. And news itself is neither good nor bad; it is simply an account of what has happened." I will not argue this point, except to say that the responsibility of an editor in making the day's selection of *what* news will be printed and *how* it will be displayed must be tremendous. Newspapers do not create news, but they do create an impact with their readers in the selectivity of what they print, how they print it, what headlines they write, and the editorial comment which inevitably must follow.

All of this is said in recognition of the importance of newspapers and their service in keeping our people informed on the news of the day. I wish you well in this great responsibility and commend you for the worthwhile interest and support you have given to so many ideas, programs, and causes which have helped make our state great. Some time ago, one of the state dailies reviewed the course of journalism in North Carolina for the past fifty years, and pointed with pride to the fierce personal journalism of such newspaper stalwarts as Oscar Coffin, W. O. Saunders, Earle Godbey, Josephus Daniels, Joseph P. Caldwell, and Roland F. Beasley. Whether you agreed with them or not—and frequently it was not—there was much to admire in the fire and devotion of these newspaper pioneers to their ideals and principles.

Those of you who are present here today cover the news of eastern North Carolina. Just what constitutes eastern North Carolina is a debatable suject. Ovid Williams Pierce, writing in the February, 1957, issue of *Holiday* says of the section: "The Coastal Plain of North Carolina lies between the sounds and the fall line, a distance of a hundred and fifty miles inland up the broad muddy rivers. This area of lowland, crossed by the Chowan, the Roanoke, the Tar, the Neuse, the Cape Fear, like so many highways to the sea, is the Old South of North Carolina, the agricultural

South of river plantations, of small towns, of counties predominantly Negro, of long stretches of nothing but swamp, heat and pine." He goes on to complete the portrait of the Coastal Plain by describing it as "self-contained, agricultural and living within reach of its past." "But," he adds, "it would be a mistake to assume that this eastern half of North Carolina has only the past to give the state, only the remnant of a plantation culture. This east has for long been growing and marketing one of the greatest shares of the world's tobacco; so here, too, is the area of the markets. . . ."

Most experts define eastern North Carolina as the forty-one counties "east of Raleigh" and "east of Rockingham." Others define it as the forty-six counties in the eastern part of the state with Granville, Wake, Harnett, Hoke, and Scotland as the western boundary. It is generally agreed that the eastern part of the state contains 50 per cent of the total land area, 40 per cent of total population, 17 per cent of manufacturing employees, 15 per cent of manufacturing payroll, and 15 per cent of value added by manufacturing. Less than $1.00 out of $5.00 created by manufacturing in North Carolina is earned in eastern North Carolina. And more than $2.00 out of every $3.00 of eastern North Carolina's farm income is derived from tobacco.

Basically, eastern North Carolina's economic problem can be stated in one short sentence: "It relies too heavily on tobacco for its income." Six counties in the area get more than 85 per cent of their farm income from tobacco, fourteen get more than 70 per cent, and eight get more than 50 per cent of their farm income from the weed.

Perhaps it might be well at this time to take a look at the 1957 crop situation here in North Carolina—especially with respect to the tobacco crop.

The 1957 crop season has not been highly satisfactory for North Carolina farmers. Because of smaller acreage allotments for basic crops and fairly heavy participation in the Acreage Reserve Program, the acreage of all crops to be harvested in the state this year is likely to fall almost 400,000 below last year's acreage. Smaller acreage allotments contributed primarily to the loss of 137,000 acres of flue-cured tobacco for harvest this year, while heavy participation in the Acreage Reserve Program contributed to a reduction of 85,000 acres in the area of cotton to be harvested. Acreage of corn for harvest will fall more than 100,000 below 1956, while smaller acreage losses are in evidence for most of our major crops.

Climatic conditions during the growing season have not been highly favorable, and disease and insect damage have taken their tolls. Also, any increases in unit prices that farmers might expect to receive for this year's harvest will be far from sufficient to offset losses in quantities harvested and in quantities available for sale.

According to the North Carolina Department of Agriculture, it would appear that the cash income from sale of crops during the calendar year 1957 will approximate $585,000,000; this is $170,000,000—or 23 per cent—below last year's $755,000,000 total. Of this $170,000,000 decrease, tobacco is expected to account for $150,000,000. During 1956, income from sales of tobacco accounted for 50.8 per cent of the farmers' total cash income from sales of agricultural commodities. For 1957, tobacco will probably account for not more than 43 per cent of the total. Clearly, the need and the trend toward diversification is pointed up by these figures.

I was interested to learn that of all cattle on farms in the state during 1956, only 16.3 per cent were in the Coastal Plain region. And this section could boast of only 12.4 per cent of all milk cows in the state in 1956. Herein lies a wonderful opportunity for farmers to supplement their cash income. Cash income from sales of livestock and livestock products last year in North Carolina amounted to $244,000,000. For the first seven months of this year, income from these products amounted to $136,500,000, or about one per cent below the $138,100,000 total for the comparable period last year. This year's spring pig crop was 9 per cent larger than last year. We have reason to believe that marketings of pork during the fall months of 1957 will exceed marketings for the same period in 1956, and it might be reasonable to assume that total 1956 cash income from sales of livestock and livestock products will equal or perhaps slightly exceed the $244,000,000 total for 1956. Eastern North Carolina can boast 69 per cent of the state total in the number of hogs on farms.

When we speak on agricultural problems in eastern North Carolina, especially of tobacco, I know you understand that we do it with grave concern and with only one purpose in mind—to inform all of our people of the seriousness of these problems and to find some solution which will help the farm people affected to find new and better sources of income. I firmly believe that there is a tremendous future for easten North Carolina both as an agricultural area for diversified farming and for industrial growth and expansion of all kinds. Some people have estimated that there are over 100,000 people in eastern North Carolina available for full-time or part-time industrial jobs.

According to the estimate by the State Department of Conservation and Development, from 1946 to 1955 industry expended for new plants and equipment and committed for investment in eastern North Carolina some $150,000,000. This included over 300 projects with an estimated potential employment of around 25,000 workers and an annual payroll of some $62,000,000. In 1956, we found that 37 of the 147 new and proposed manufacturing plants in the state were located in eastern North Carolina. Food and similar products led in new establishments with nine, followed by apparel and lumber plants, each of which added six firms.

I am tremendously impressed with the industrial news council which your association is sponsoring. This is a constructive and worthwhile effort to help spread the word about sound industrial development and to tell your people, the state, and the world what you have to offer.

For example, I recall with pleasure talking with representatives of Selma and Smithfield who were working on industrial development separately and independently. I understand that these two towns agreed that mutual assistance would be more practical, and since that time Selma and Smithfield have been working together as one group. One of the results of these labors has been the formation of a new soybean company.

As you know, it is very important for the leadership of eastern North Carolina to realize what is happening to our tobacco economy and to do something about it. We know from experience that regional planning is needed, that local committees should be formed, and that specific assignments should be made. Eastern leadership must be willing to inspire and support local enterprises, especially those enterprises which process the products of our farms, forest, and waters. One well-known daily newspaper pointed out: "North Carolina never will get an industry which somebody didn't start somewhere. Indeed, a great part of the state's industrial development was started here by people here. And today such people here are needed as much as industries from afar. Governor Hodges and his associates are wise to seek industry wherever they can find it. But the North Carolinians they represent should be thinking more and more about starting industries as well as catching them."

There is another aspect about industrial development in eastern North Carolina which I would like to mention. This involves the necessity for owners of good industrial locations to think in terms of personal profit on immediate sales. As community leaders, I know you recognize the need for having available reasonably priced land which can be converted into industrial sites without delay.

Sam Ragan suggested that I tell you briefly something about our recent trip to New York City in which we attempted to tell the North Carolina story of economic opportunity to as many industrial contacts as we could see. It was a wonderful experience, and we were very pleased with the warm reception our party received. There is no doubt in my mind that the trip was well worthwhile and that it holds much long-range promise for increased industrial development in North Carolina, including the eastern section. As you know, I was accompanied by a large group of public citizens who paid their own way to New York City and spent their own time in pounding the pavements and making calls on prospects throughout Manhattan. As each day went by, our party's enthusiasm increased as the industrial executives, financial people, and others indicated great interest in North Carolina, its resources, its people, and its future.

During this one week we made personal visits to approximately 250 prospects in industry, business, and food distribution fields. In addition, I addressed or greeted personally more than 600 people at five luncheons and four receptions. During the luncheons and receptions, all members of the North Carolina party mingled with the guests and discussed North Carolina, its opportunities, its newly adopted equitable tax program, ample labor supply, and other vital statistics.

I know you will be interested in hearing something about the luncheon on Thursday for food processors, food dealers, and food distributors in the New York City area. This luncheon was sponsored by the North Carolina Poultry Processors Association and was held for the purpose of giving North Carolina agriculture a boost as a source of food products for northern markets. We had at this luncheon an excellent representation of the food industry in New York City, including some of the nation's outstanding food editors and a direct representative of the mayor's office, primarily because of New York's need to bring in food. We talked to this group about North Carolina and its many special advantages for food processing industries, as well as the wide range of crops available. We are very hopeful that this luncheon may provide some impetus in reaching vast markets in the North which are yet untapped as far as North Carolina agriculture is concerned.

We went to New York to endeavor to create good will and understanding about North Carolina, its people, and its economy. We were tremendously pleased with the active interest shown by all of the contacts whom we were able to see. It was most encouraging to note the great support and help which we received from many North Carolinians who are now living and working in New York.

As you probably noted, I received assurances from Allied-Kennecott Titanium Corporation that the schedule for construction of the $40,000,000 titanium project near Wilmington has not been changed or altered. This company believes in the future of this new metal, despite the cut-back in the federal government program with reference to titanium.

I would like to share with you some other examples of the response received during the past week. The tax expert of one of the great chemical companies in America volunteered the information that North Carolina now has as good a tax program as any state and said further that he would be glad to make that statement to any company in America. This company is now contemplating a research facility in the state.

Consultants with a steel fabricator happened to see in the New York newspapers the story about the North Carolina delegation. These consultants contacted the delegation to discuss the possible location of a plant employing 400-500 people in North Carolina.

The headquarters of two electronic operations now located in North Carolina reported they are planning expansion projects at present North Carolina locations because of the good industrial climate found in the state.

One company reported to the North Carolina visitors that it will announce the location of a creosoting plant in eastern North Carolina in the near future.

Another large manufacturer already located in North Carolina stated that it would expand its plant facilities for forest products in the next twelve months.

A textile company with operations in North Carolina reported that it will expand its North Carolina mill because of the extremely favorable experience they have had in North Carolina and the revision of the tax laws. Further, the company authorized the Division of Commerce and Industry to undertake to find another manufacturing plant which could be purchased and utilized for other manufacturing activities.

As a result of a personal contact, one company is working on plans for a wood-working plant in the state which would employ 400-600 people. Another company, in the furniture industry, indicated that a decision was impending on the location of a plant in North Carolina.

For the long pull in getting new industry, there is nothing better than a good, cooperative and hard-working community or regional organization.

A movement which is gradually spreading throughout the raise the economic level of the people and to make the areas more attractive places in which to live and make a living.

Generally, their objectives may be summed up as programs to raise the economic level of the people and to make the areas more attractive places in which to live and make a living.

So far, four organizations of this type are either in operation or in the process of organization in eastern North Carolina. When all of these are completed, some thirty to thirty-five counties will be included. They have tremendous possibilities in improving the economic and social welfare of the counties included in the various areas.

Four of the principal channels through which most of the efforts of the various organizations have been carried out are agriculture, industry, travel and recreation, and community development.

Each of these fields of activity would require extensive time to discuss, but I merely mention them to give some indication of the potentials of the programs.

I should like to point out that the objective sof these organizations are not easily attained. Success requires the expenditure of considerable time and effort on the part of a great many people.

Eastern North Carolina groups which have programs under way or are in process of organization include the Capital Area Development Association, the Southeastern Area Development Association, the Northeastern Development Council, and the Central East North Carolina Development Association.

The people who are laboring hard to formulate and carry out these programs are investing heavily in a brighter, better future for their communities and state.

I am sold on the future of eastern North Carolina as an area capable of great growth and expansion. Without overlooking any of the difficult problems or economic handicaps now present, I have great faith in the ability of this area, its leaders, and its people to meet the challenge ahead and to develop here in this area a new and better life for all.

As eastern North Carolina newspaper editors, I know that you are deeply interested as I am, in seeing this dream come true. Thank you very much for what you are doing, keep up the good work; and I shall watch with great interest your leadership in helping your communities and your counties toward better economic opportunity and a brighter, more exciting future for all our people.

Thank you.

ADDRESS AT A LUNCHEON WITH THE DIRECTORS OF THE SEABOARD AIR LINE RAILROAD COMPANY AND OTHER BUSINESS, INDUSTRIAL, AND STATE LEADERS

PINEHURST

November 5, 1957

[The Governor had spoken to this same group at a luncheon in Charlotte on October 11, 1955, on the need for getting more industries into the state in order to lift the economic level of the people and raise North Carolina's relative position among the states with respect to average per capita income. In this speech at Pinehurst he addressed himself to the same subject and reviewed the progress which had been made along this line during the intervening two years.]

It is a pleasure to share in this meeting with the Board of Directors of Seaboard Air Line Railroad Company and with this large group of business, industrial, and state leaders. I want to thank President Smith, Ed Bell, and other officials, as well as the Board of Directors of the Railroad, for giving me this opportunity to talk briefly with you today. I feel that we share many common interests in the economic development and orderly growth of our great state.

Railroads have played a great part in the history of North Carolina. Railroading has always been a fascinating story in the annals of transportation, both in North Carolina and the nation. As most of you know, one of the first railroads in North Carolin was the Raleigh and Gaston line which entered Raleigh in 1840, the same year that our present state Capitol Building was completed. This was the early ancestor of the present Seaboard Air Line.

Time will not permit even a brief resumé of the contributions which railroads have made to the growth of North Carolina. However, from those early beginnings, railroads now operating in North Carolina produce annual revenues in excess of $200,000,000, and our state has twenty-seven independent railroads with a total mileage of 4,620 and a total tax valuation to the state of over $152,185,000.

I was privileged to speak to a group like this at Charlotte on October 11, 1955. At that time—and again today—my theme was getting more diversified industries for our state in order to lift the economic level of our people and to change our relative position in the list of the forty-eight states with respect to average income. We have made much progress in the intervening two years, and I would like to tell you something of what has been accomplished and what still needs to be done to balance our agricultural economy with new and expanded industry.

We are assembled here in a lovely resort town in a county which almost perfectly epitomizes North Carolina in that it has no large cities, but several small towns. Moore County epitomizes the state, too, in having a low per capita income. Its present per capita income is only $1,246, which is better than the status of the surrounding counties; but it is still $59 below the state average of $1,305.

In recent years in North Carolina there has been a growing realization of the tremendous value of modern, productive industries. Municipalities, counties, geographical areas, utilities and other service industries, and state government have gradually entered into various programs designed to attract and hold new industries. I have had several calls in the office in the past couple of weeks about this very thing.

There has been wide dispersal of industrial plants throughout America in recent years. The larger industries discovered that good transportation facilities, good communications, and rapidly expanding markets offered greater opportunity for new plant locations outside the major metropolitan areas of the North and East. Competition among states has been terrific, and some of our good neighboring states have made some rather unusual offers to new industrial prospects which we could not and would not match.

Our Department of Conservation and Development has the responsibility of directing industrial development activities within state government. Through its Commerce and Industry Division it works to promote the sound and progressive industrial development of our state and its counties. Conservation and Development learned long ago that the job of industrial development is much too big for a single state agency or a group of agencies to accomplish alone. Actually, it takes the wholehearted cooperation of all state agencies, every chamber of commerce and industrial group, every branch of local government and all available citizens working together to obtain any real results. The purpose of the state program is to encourage our own people to help themselves, and Conservation and Development makes every effort to do just that. Its first responsibility is to all areas of the state; and when outside industrial prospects display an interest in North Carolina, Conservation and Development believes that its first goal is to sell them on the state as a whole, without reference to a specific geographical location. More often than not, industry-seeking representatives usually have some ideas as to where in our state they want to go.

Once the prospect reveals his requirements, and indicates any preferences, then our industrial development engineers go to work to meet these requirements through contacts at the local level. I cannot emphasize too greatly the importance of local contacts and local selling for new industries. No one can tell your own story or knows your community as well as you do. Yet, this has been one of the major problems we have faced when individual communities and areas did not have immediately available the necessary vital statistics, such as available power, water, waste disposal facilities, wage rates, available labor, recreation facilities, housing conditions, etc. And localities should keep Conservation and Development informed of what they have to offer.

It has been our experience that the most important requirement of all from a community standpoint is the *attitude* of the people in that community toward the industry they now have and the industry they may receive. As you know, a community's attitude is frequently reflected in how they have treated the industry they have, what facilities have been provided for recreational, educational, and other purposes, what they say in their local newspapers, and how local government treats an industrial taxpayer. These are all factors over which the state has little, if any, control. Yet, all have a tremendous bearing upon the success of industrial development for the community involved and the state as well.

Teamwork between the Department of Conservation and Development and all the other groups seeking industry does get results. According to our State Department of Conservation and Development, North Carolina has had a total of 703 new and expanded plants since 1955, with a total investment of $359,072,000, and a total of 40,228 new workers. During the first three quarters of 1957, there have been 235 new and expanded industries announced. They represent a capital investment of more than $128,000,000, new jobs for 11,000 workers, who will earn an estimated $34,000,000. A few of the larger new industries during this period have been widely publicized, especially following the General Assembly's actions on corporate taxes. These include Allied-Kennecott Titanium Corporation and the R. J. Reynolds Tobacco Company in Winston-Salem.

Ever since I have been governor, I have emphasized the importance of more payrolls, more general industrialization. Despite the extent to which we have built factories, we remain almost uniquely an agricultural state. In a nation where 9.7 per cent of all labor is employed on the farm, North Carolina has 22 per cent so employed. We have a farm population of approximately 1,376,000, the largest farm population in the nation. Its 267,906 farms make it rank second only to Texas in the number of farms.

According to the August, 1957, *Survey of Current Business,* farming in North Carolina accounted for 14.8 per cent of civilian income in 1956, as compared with 5.5 per cent in the continental United States. Manufacturing on the other hand accounted for 32.1 per cent in North Carolina that year. The national figure for 1956 was 31.5 per cent. The total civilian income from farming and manufacturing combined in the state for 1956 was 46.9 per cent and in the U. S., 37 per cent. It is well to point out that our economy here in the Tar Heel State is too heavily loaded with low skill manufacturing and farming—both of which pay low wages. Here again, the need for diversification of both agricultural and industry is evident.

Fortunately, for a state like ours, the trend in industry is toward decentralization. Several considerations are motivating this trend. One of them is national security. Concentrated factories are too easily crippled or destroyed in modern warfare for a nation to be willing to trust its fate to vital industries grouped as prime targets for air attack.

North Carolina is peculiarly advantaged to get the benefits of the trend to decentralize industry. The state is centrally located in the East with favorable hauling distances to great markets.

It is rich in one resource of increasing importance to industry. I refer to the abundance of soft surface and ground waters.

Ground water is that water which collects in porous areas beneath the earth's surface. These areas range from minute moist crevices to vast porous zones containing billions of gallons of water. Geologists estimate that more water exists in these subterranean reservoirs that in all the nation's rivers, creeks, ponds, and other surface storage areas—including the Great Lakes.

Correspondingly, the underground reservoirs of North Carolina hold far more water than can be found on the surface. When you add the fact that, generally speaking, ground water is ready for consumption by municipalities, industries, and individuals without expensive processing, that it is less subject to extreme seasonal fluctuations, that its use is less restricted by concern for the water rights of others, and that it is more uniform in temperature and chemical quality, then the growing preference for ground water is certainly understandable.

It is interesting to note that more than 2,500,000 North Carolinians—over 70 per cent of the total population—depend upon underground reservoirs for their daily supply of water. Well over half the state's municipalities draw their water from the same source. Figures compiled recently by the State Board of Water Commissioners show that ninety of the state's 100 counties report that more than 50 per cent of their citizens puncture the earth for their water.

The state has led the nation in the building of all-weather secondary roads, liberating a great labor force from the handicap of mud. It is now possible to establish a factory in almost any countryside in this state and not lack for labor, transportation facilities, or power. No longer is it necessary for a great industry to locate in a large center of population.

Perhaps more important than any one of the other advantages mentioned is the state's labor force of 1,400,000 people. I am thinking both of its quantity and its quality. New industries in the state have found they can train the technical help they require much more easily in North Carolina than they had expected to be able to train new workers. They have found them to be friendly, wholesome, capable workers who largely own their homes and have an important stake in their community, state, and nation. At least 160,000 workers are estimated to be available for industrial employment in North Carolina.

Back in 1955, I mentioned two special areas of industrial potentiality which stand out. First, I said that the state can and must process and conserve a greater portion of our food and feed. In this state more than double the national average of people are dependent on farming, but we have fewer than one-half the national average of people engaged in food processing. This leaves us in the position of importing food and feed, which we can produce ourselves and conserve, from areas where the wage scales are 30 to 100 per cent higher than our own. This constitutes a drain on our economy which is bound to be reflected in our economic well-being and our comparative status in average income.

I was not or am not advocating a buy-at-home movement. On the contrary, I was and am advocating a movement to produce and conserve at home so that our people can be better customers for other states for things we really need to buy. We make things to sell to the world. We want to utilize our resources at home so that we may buy more, not only of our own products but of the products of others.

In 1955, only seven new food processing plants were added in the state; in 1956, the number increased to nineteen new plants; and thus far in 1957, fourteen or fifteen new plants have already been added.

The state is now engaged in a vigorous campaign to promote food processing within its borders. Recently I spoke at a luncheon for food processors, food dealers, and food distributors in the New York City area. This luncheon was sponsored by the North Carolina Poultry Processors Association and was given to boost North Carolina agriculture as a source of food products for northern markets. We had at this luncheon an excellent representation of the food industry in New York City, including some of the nation's outstanding food editors and a representative of the mayor's office, primarily because of New York's need to bring in food. We talked to this group about North Carolina and its many special advantages for food processing industries, as well as the wide range of crops available. We are very hopeful that this luncheon may provide new impetus in reaching vast markets in the North which are yet untapped as far as North Carolina agriculture is concerned.

Here are some 1956 production figures on some of our leading vegetables and fruits. In 1956, North Carolina produced 5,300 tons of snap beans for the fresh market and 4,300 tons for processors. Most of the 4,300 tons went to out-of-state processors. We produced 6,300 tons of tomatoes for the fresh market and 3,500 tons for processors. Nearly all of this processing tonnage went out of the state for processing. We produced 8,900 tons of green peppers for the fresh market and 1,500 tons for processing in the state. We produced 12,100 tons of cucumbers for the fresh market and 23,000 tons for processing, mostly within the state. This is one product we process in large quantities. We have one plant in Mount Olive that ships North Carolina pickles all over the world. Last year the state produced 19,000 tons of cabbage and about 2,000 tons of that crop was converted into kraut in the state. We produced 1,100 tons of strawberries and none of them were processed in North Carolina. Since 1940, North Carolina's annual apple crop has averaged 1,100,000 bushels; and its annual peach crop has averaged 1,600,000 bushels. Almost no apples or peaches are processed in the state.

In 1956, North Carolina farmers marketed 152,000 head of cattle, 221,000 calves, and 1,145,000 hogs. Even though the meat-packing industry has had a remarkable growth in the state in the past few years, the fact remains that a large portion of these livestock sales were to out-of-state packers. We need more meat processing in the state.

We are proud of our growing poultry production and processing in North Carolina. Today, this industry and its products enjoy nation-wide acceptance. In just fifteen years it has grown to a position of leadership in North Carolina and now ranks second in cash farm income. The processing of millions of broilers, hens, and turkeys helps to stabilize income for thousands of North Carolina farmers as well as payrolls for labor. It is estimated that North Carolina will produce and process 125,000,000 broilers this year. In 1956, our farmers raised 1,295,000 turkeys for the market; and our processing plants processed considerably more than that, buying live turkeys from outside the state. Our farmers can easily increase their broiler and turkey production and will do so if processing facilities furnish them a ready market.

Every year commercial fishermen take several million dollars' worth of seafood from North Carolina's coastal waters. This includes oysters, shrimp, clams, crabs, scallops, and fin fish. Crabs are about the only one of these on which any appreciable processing is done in North Carolina. By far, too many of our oysters, shrimp, and other fish are shipped to processing plants outside the state and come back to our retail markets as Virginia or Maryland products or with the label of some other state. We ought to do something about this.

The other area of especially important potentiality for small industries is in the production of the component parts of the larger products of some of our great new industries. One corporation in this state is buying such component parts at a cost of $100,000,000 a year, and gets only one-tenth of them from sources within the state. The opportunity exists for production of a much greater percentage of this company's needs and of the needs of other great buyers operating in the state. This is indeed a rich field.

Some of you will remember that two years ago I discussed the Governor's Small Industries Plan and told of the need of a credit corporation to make available long-term loans to eligible industries which commercial banks frequently could not handle.

I want to tell you something of the progress that has been made in securing small industries in the past few years and of what the Business Development Corporation has done along this line.

The Governor's Small Industries Plan was begun back in 1955 and had as its objectives the following:

1. To stir the people throughout the state to ask themselves and find an answer to the question: "What can we make here that we can sell profitably?"

2. To organize a state-wide human structure of permanent character interested in the continued promotion of industrial development.

3. To prepare technical aids to a skillful approach to community action in industrial organization.

This plan was adopted by the Junior Chamber of Commerce as one of its permanent projects and was endorsed by the state press, the State Bankers' Association, and the State Merchants' Association.

When the basic work of the Governor's Small Industries Plan was concluded, its work was incorporated into the Small Industries Section of the State Department of Conservation and Development. Under the direction of Gerald F. Albright, this section has worked wonders in the past couple of years. Since it began operation in September of 1954, it knows of approximately 115 new locally financed and locally organized industries that have started operations in North Carolina. These 115 new industries represent an investment of more than $9,500,000. The average employment is approximately twenty-five persons, or about 3,000 for the 115 new plants.

A wide variety of products are turned out by these plants, such as textile chemicals, hosiery, building trades chemicals, peanut products, Brunswick stew, sheet metal products, concrete blocks, knitted fabrics, furniture (wood and upholstered), molded plastic products, laminated plastic products, charcoal, tobacco curers, aluminum and zinc die castings, portable decorative fountains, processed poultry, garage equipment, auto maintenance items, dog and cat foods, canned and dried apples, children's apparel, radiant heating pads, and numerous others.

This past summer the section added to its staff a man with a background in agricultural products and agricultural education. Partly as a result of this, the section has stepped up its efforts to promote food processing and packaging in the state. It now handles all food processing prospects for the Division of Commerce and Industry whether the project is locally promoted or comes for outside the state. Of course, in this work it works very closely with the North Carolina Department of Agriculture and the School of Agriculture at North Carolina State College. I commend all of these agencies for the splendid work they are doing.

And now, a brief summary of what the Business Development Corporation has accomplished to date. The North Carolina General Assembly of 1955 enacted into law "An Act to Authorize the Incorporation of Business Development Corporations for the Purpose of Promoting, Developing and Advancing the Prosperity and Economic Welfare of the State."

In accordance with this act, the Business Development Corporation of North Carolina was incorporated and organized late in 1955 and began to function in the first half of 1956.

The Business Development Corporation is primarily a part of the program to bring additional industry to the state, expand existing industry, increase employment, and raise the per capita income. It is a corporation to provide long-term credit in North Carolina to assist in advancing the industrialization of the state. It was created for the purposes of promoting, stimulating, developing, and advancing the business prosperity and economic welfare of the state of North Carolina. It cooperates and acts in conjunction with other organizations, public or private, in the promotion and advancement of business and industrial development in the state. It is a business organization and all financial assistance rendered is on a basis that full repayment, with interest, is expected. Under the enabling act, the corporation has very broad authority for performance of its objectives, and much is left to the determination of policies by its board of directors. It is so designed that it does not compete with other financial institutions, such as banks, insurance companies, building and loan associations, but in effect picks up where they leave off.

The corporation has an authorized capitalization of $1,000,000, all of which was paid in in cash by more than 1,800 stockholders as of December 31, 1956. In addition, the corporation has 105 members which includes the largest banks and insurance companies of the state who have agreed to lend funds to the corporation on call on a pro rata basis. These amounts are small as compared to the institution, but collectively they have created a large reservoir of funds, and applications for membership are still coming in from other financial institutions in the state.

Up to now the corporation has made loan commitments totaling in excess of $3,400,000. The commitments provided that 58 per cent of the proceeds of the loan were to assist in the construction of new plants and expansion of existing plants; 26 per cent for the acquisition of machinery and equipment; 12 per cent for working capital purposes; and 4 per cent for existing debt payment. One of the accomplishments was to assist in maintaining or creating an average of better than one and one-third direct jobs for each $1,000 of loan.

Loans have been approved for disbursement as far west as Franklin and Asheville, as far east as Elizabeth City, Engelhard, and Atlantic and to quite an assortment of businesses. Among the types of business that have been assisted in the establishment or the expansion have been meat freezing and processing plants, a ceramic tile plant, woodworking, wood-preserving, textile, vermiculite, seafood, metal fabricating, poultry processing, furniture manufacturing, and grain storage elevators. These are merely samples of the types of business that loans from the corporation have been approved to assist. The largest loan approved thus far is $300,000 and the smallest is $2,000. It appears that the corporation's volume of activity is far greater than was generally expected when it was being created.

Our recent trip to New York City, in which we attempted to tell the North Carolina story of economic opportunity, emphasized to each of us the importance of what I have been saying about industrial development. Let me tell you a little bit about our experience there. There is no doubt in my mind that the trip was well worthwhile and that it holds much long-range promise for increased industrial development in North Carolina, including the eastern section. As you know, I was accompanied by a large group of public citizens who paid their own way to New York City and spent their own time pounding the pavements and making calls on prospects throughout Manhattan. As each day went by, our party's enthusiasm increased as the industrial executives, financial people, and others indicated great interest in North Carolina, its resources, its people, and its future.

During this one week we made personal visits to approximately 250 prospects in industry, business, and food distribution fields. In addition, I addressed or greeted personally more than 600 people at five luncheons and four receptions. During the luncheons and receptions, all members of the North Carolina party mingled with the guests and discussed North Carolina, its opportunities, the newly adopted equitable tax program, amply labor supply, and other vital statistics.

We went to New York to endeavor to create good will and understanding about North Carolina, our people, and our economy. We were tremendously pleased with the active interest shown by all of the contacts we were able to see. It was most encouraging to note the great support and help which we received from many North Carolinians who are now living and working in New York.

In recent years, we in the South have come to realize the necessity of more and more research. As the late William T. Polk expressed it in his book *Southern Accent.*

> Research . . . is the most important word in the South today. It is putting brawn in the service of brain at tremendous profit. It is turning old telephone poles into paper, making dollars grow on old-field pines, and any day, now, it will be changing sows' ears into silk purses and thistles into figs.
>
> Research is the modern philosopher's stone which turns all it touches into gold. The South is rich, fallow and virgin—well, demi-virgin—soil for it. Research is begging the South to let it make it rich and the South is being talked into it.

About two years ago I had a part in the formation of an organization known as "The Research Triangle Committee, Incorporated." This organization began with an idea that something should be done to encourage industrial research to utilize the tremendous educational resources available in the relatively small geographical area bounded by the University at Chapel Hill, Duke University at Durham, and North Carolina State College at Raleigh. These three institutions immediately grasped the enormity of this idea and were most helpful and cooperative in encouraging it.

As a result of much planning and study and a contribution of $30,000 a year from public-spirited citizens of the Research Triangle area, the project is now moving ahead rapidly. It was given a tremendous boost on September 10 when Karl Robbins of New York announced that he had acquired 4,000 acres in the heart of the Triangle for the purpose of converting this into a major research park. Mr. Robbins, as you probably know, is a retired textile executive who had extensive textile operations in our state. Robbins, North Carolina, is named for him.

It is impossible to evaluate the Research Triangle not only to North Carolina, but to the nation and beyond. Experts from a New York planning and engineering firm say that in twenty years it should have 20,000 to 25,000 working there in research and affiliated fields. This is a tremendously exciting project and one which has already received nation-wide attention. It is one which, I believe, will help us make the most of our resources and opportunities. I only wish we could have had something like this years ago.

The emphasis on research in North Carolina and the South is a new development. As late as 1940, there weren't enough research institutions in the South to shake a stick at. Twelve years later there were thirty-seven research institutes in the South, most of them run by universities. In addition, there were eighteen federal research groups, some of which worked for the armed services. And then there were approximately forty "well-staffed and well-equipped consulting industrial laboratories" where there were none a dozen years ago.

Although we have lagged far behind in research in our own state, we are making headway. A recent report on basic research in this country by the National Science Foundation points out that six states, including North Carolina, together spend almost half of all the funds appropriated in the nation for research and development. The National Science Foundation pointed out that many states, although very conservative in supporting basic research, would be willing to increase their support if the federal government furnished supplementary funds. North Carolina would be in this class. The foundation recommended a trial program of federal-state cooperation in basic research programs, warning that a "nation-wide program at this stage might be over-ambitious and premature."

Dr. Arthur Compton, president of Washington University, put the case for research in the South—and the same applies to our great state—when he said:

> During the last half-century in the United States more than one-half of our new material wealth has come from new ideas which were not known fifty years ago, or at least were not applied to the production of things. But for the South as a whole, the proportion has been less than one-tenth. Rich in diversified natural resources, the South has not been proportionally rich in ideas or in opportunities. . . Of Britain it has been said: "Export or die!" Of the South it may equally be said: "Utilize, conserve and diversify—or decline!"

That is the message I would leave with you today. While it is true that we are making progress in securing new industries and expanding those we already have, there remains much to be done. The Small Industries Section, the Business Development Corporation, and the Research Triangle are doing much to help raise our per capita income and our standard of living; so are our various other state agencies. But we must not slacken our pace. I appeal especially to the railroads and your highly effective industrial agents for full cooperation in this all-out effort. You gentlemen of the Seaboard Air Line have already done a good job for North Carolina. So have the industrial agents of the railroads and various other utilities, but I challenge you to do much more in the development and securing of small as well as large industries. State government can and should furnish only a small part of the promotional needs. The rest is up to our citizens—individual and corporate—who are interested in the state's industrial development.

Thank you so much for making this luncheon possible and for all the things you are doing for North Carolina. We wish you continued success and feel that your success will be ours.

Let's all work together to make North Carolina a bigger, better, and more prosperous state in which to live and raise a family. We can do it if we work together toward that end.

VOICE OF AMERICA BROADCAST

November 24, 1957

[As one of the few southern governors who had publicly stated that, although he disagreed with the decisions of the United States Supreme Court involving segregation in the public schools, the pronouncements of the Court were nevertheless the law of the land and must be obeyed, Governor Hodges was invited by the United States Information Agency to participate in this Voice of America broadcast. The broadcast, which was in the form of a press conference, was recorded in the governor's office on November 19, 1957, and was carried over the air in several languages on November 24. It was the hope of the sponsors of the broadcast that this revelation of a moderate view on the race question held by a southern governor would aid in counteracting some of the feeling that was being stirred up in foreign countries by the Little Rock integration crisis and similar episodes. The occasion evoked considerable interest and resulted in the Governor's receiving a number of congratulatory letters from various parts of the world.]

Moderator: Good evening, and welcome once again to Press Conference, USA. Our program tonight originates from the governor's office in the state Capitol at Raleigh, North Carolina. Our guest of the week is the distinguished Governor of the State of North Carolina, the Honorable Luther H. Hodges. The story of Governor Hodges' career is that of a farm boy who worked his way through the University of North Carolina, waiting tables, firing furnaces, and laboring as a mill hand in summers. After his graduation, the Governor rose from office boy to the position of vice president of the Marshall Field Textile Mills in this state. On his retirement in 1950, Governor Hodges spent more than a year in West Germany as head of the Industry Division of the Economic Cooperation Administration. He first entered politics in 1952 when he was elected lieutenant governor of this state. In 1954 he became governor of North Carolina upon the death of Governor William B. Umstead. In 1954 Governor Hodges was elected to a full term of office. He is the immediate past chairman of the Southern Governors' Conference and is now serving as chairman of the Southern Regional Education Board. Most recently he was chairman of the Governors' Committee formed to work out a solution to the Little Rock, Arkansas, integration crisis. Our reporters' panel is made up of two well-known correspondents. They are Dr. Diadados Yap, editor of the Manila, Philippines, *Chronicle,* and Jay Jenkins of the Charlotte, North Carolina, *Observer.* For the first question to Governor Hodges, we will call on you, Mr. Jenkins.

Mr. Jenkins: Governor Hodges, I figured it would be of interest to the audience to have you outline the case history of North Carolina's approach to the school segregation problem, since this state was the first of the so-called "hard core" states to permit limited integration.

Governor Hodges: Thank you very much, Mr. Jenkins. Could I, before giving you the very brief story of the North Carolina program in connection with schools and the segregation problem, point out as a background what the United States Supreme Court said, or didn't say, in its first decision of May, 1954, and supplementing it in 1955. I quote directly from a distinguished jurist, Judge John J. Parker, chairman of the Circuit Court of Appeals, a group of judges who acted upon the original case in South Carolina which was brought before the Supreme Court and decided in 1954. This, I believe, will correct a mistaken notion of what the Court has said, because many people in this country and other parts of the world think that the Court has said you must mix people in the schools, and if you don't mix them you are disobeying a law. I quote Judge Parker:

> The Court has not decided that the federal courts are to take over or regulate the public schools of the state. It has not decided that the states must mix persons of different races in the schools or must require them to attend schools or must deprive them of the right of choosing schools they attend. What it has decided is that a state may not deny to any person on account of race the right to attend any school that it maintains. This, under the decision of the Supreme Court, the state may not do directly or indirectly, but if the schools which it maintains are open to people of all races, no violation of the Constitution is involved even though the children of different races voluntarily attend different schools as they attend different churches. Nothing in the Constitution or in the decision of the Supreme Court takes away from the people freedom to choose the schools they attend. The Constitution, by the way, does not require intergration. It merely forbids discrimination.

And that's the end of the quotation from the original judgment. And incidentally, this judgment was repeated this past week in Baltimore, Maryland, in connection with the Prince Edward County, Virginia, case, which was one of the original cases.

Now, with regard to the North Carolina situation. We took the position here in North Carolina that we did not agree that the Supreme Court's interpretation of the Constitution in 1954 was correct because the Court has, since 1896, taken the position that if schools were built equally for people of both races, it would be satisfactory. However, regardless of how our feeling is about it, we do take the position in North Carolina that the Court has made a ruling, made a decree, and until that is changed either by the Court itself or by the Congress through setting up a constitutional amendment on which the people of the United States of America would vote, until that is done it is the law of the land. North Carolina, as early as 1955, passed a pupil placement act which allows each of the school boards in North Carolina—and there are 174 of them—to decide for themselves how they will handle their pupils and how they will assign them. That is, in regular custom of assigning white children or colored children to school according to where they live and what the situation is. Now, in 1956, to face up to this situation so that if we had something happen that would be intolerable, as we call it, we set up a series of safety valves, leaving again the matter entirely to the localities. The state does not take a position of cutting off funds or doing this or that. If a community of its own volition wants to admit Negro children in with white children, or white children with Negro children, it may do so. And at their opening in September, a few weeks ago, three of our cities made a voluntary admission of several Negro students. Many of them were turned down because of one thing or the other, but those that stood the test on a fair basis were taken in. Now, if something should happen that would make the situation bad, such as you have had at Little Rock and other places, for example, our law provides that a vote of the majority of the people in any community that has the problem will settle the issue. They can close the school, they can give tuition grants to students so they can go to private schools, a person can transfer from one school to another so as not to get mixed up if they don't want to mix, the locality can handle it on its own accord, and the people of this state who are law-abiding are going along that line.

Dr. Yap: Governor, will you state briefly the difference between the pupil placement program of North Carolina and that of Virginia.

Governor Hodges: Without making comparisons with other states, as I understand it, Virginia, although having a pupil placement act, has a state law which provides that state action will be taken if there is mixing.

Dr. Yap: Governor, I am very glad to know the background of this problem of integration because more than one-half of the world's population in Asia are bewildered over the same problem. Now the people of the world are being courted by the Communists because of this question of integration. I would like to find out from you, Governor, as to what steps are being taken to solve gradually this question of integration so that the peoples of Asia, who are colored people, will get the best idea of just what the stand of a United States governor is in connection with this problem.

Governor Hodges: Well, I appreciate very much the position that you have mentioned, and I know that there is deep concern all over the world, much of it because of misunderstanding. Just let me say this so that all the fair-minded people will understand. We in this state and this country are not against any race, we are not trying to do anything that is bad. We have for a hundred years lived under a certain arrangement of separate schools where the states wanted them that way. This recent Supreme Court decision was a very sudden one. It takes a little time to work it out. There have been acceptances of mixed schools in a very great number of the border states. If given time, if people think right, if they cut out their race prejudice and hatred in their hearts, then we will have an understanding in this country just like you would have in any other country of the world. These things we would like to have, but it takes time and we cannot do it overnight, and we can't do it by law.

Moderator: In other words, Governor, you feel that a slow evolutionary process is something that you can't do within a few weeks or a few months.

Governor Hodges: It takes a great deal of time and the court itself originally said that, that they must go ahead by deliberate speed, but they meant by that, deliberate, to take the time according to the situation. For example, and I will make it very brief, in North Carolina with 100 counties our Negro population runs from .03 per cent to 67 per cent. This is true in all parts of America, and you will find that in New York and Chicago and Detroit, in my humble opinion, in the future they will have their race difficulty because they don't have the same understanding in relationship to the individual Negro that we do because we have lived with him. He has been our nurse, our cook, and all the rest, and we feel very close to him personally.

Mr. Jenkins: Governor, I don't want to change the subject, but I think the emphasis on the industrial development in North Carolina would be of interest.

Governor Hodges: I would just like to say this in connection with industrial development: We are trying in this state, which is four and one-half million people, primarily an agricultural state, but growing rapidly industrially, to be modern, to keep up with what is happening now in the scientific world as illustrated by these recent two sputniks, as they call them. We have here three universities very close together that are outstanding ones in the country. We are developing through our atomic reactor at one of the colleges new ideas, approaching new frontiers in science. We are making a re-study of our whole school curriculum, and I think the possibilities here are great. I might say, in speaking of Negroes a while ago, and this is tied in with schools and industry, we have more Negro colleges than any state in the United States of America. We have five state-supported Negro colleges and about twenty others, and they are doing a wonderful job.

Dr. Yap: And I think, Governor, that your state is the only one in the United States where the scale of wages of white and colored teachers are the same. Is that right?

Governor Hodges: Actually, Sir, the Negro teachers' salaries are a little more than the white. Many years ago, fifteen or twenty years ago, the salaries were equalized, but the teachers get money according to how long they stay on the job, and the Negro teachers have more seniority, and the average for the Negro teachers is about $3,700 for nine months. And we have, incidentally, 10,000 Negro teachers on our payroll, including several scores of Negro principals. We have more Negro teachers in North Carolina than all the New England states and New York, Pennsylvania, and Delaware put together.

Moderator: Well, Governor, I know there is a great deal of misunderstanding and perhaps misrepresentation on the position of the Negro in the South. I wonder if you would expand just a bit further on that as pertaining to your own state of North Carolina.

Governor Hodges: Yes, I shall be very glad to tell it because I am proud, as a southern governor, of what has happened to our Negroes and their advancement. For example, in the last few years in North Carolina and the South as a whole, we have moved up in jobs opened for Negroes, and our skilled jobs for Negroes now have risen 48 per cent in the last ten years, and unskilled jobs are 17 per cent down, showing that the scale is coming up. We have the only Negro bank in the world here within a few miles of where we are sitting now, worth hundreds of millions of dollars. We have the only Negro insurance company. We have a Negro building and loan association, and our people are coming along very rapidly through the technical colleges, and incidentally, they are sending a greater ratio of their Negro children on to high school than the whites. We have a million school children and a quarter million of them are Negro. I might say this, a man said to us the other day, which shows you how you can misunderstand a thing all over the world—he said to us, "Well, certainly if you don't believe in mixing them, you certainly ought to build some school buildings for them." He actually thought that we didn't even have any school buildings. We actually have better school buildings for the Negroes than we do for the whites, because they have come more lately. We have in our state alone $122,000,000 worth of school buildings for Negroes, which is a greater ratio of the total than what the whites have, and they are taken care of completely just like anyone else.

Moderator: Well, Governor, do you feel that your approach to this problem here in North Carolina will be followed generally in other parts of the South?

Governor Hodges: I wouldn't want to say because I can't speak with authority on what is happening. I am just hopeful of this, that I feel that a great majority of the southern people feel as I do, that although their personal feeling may be one thing, they want to obey a law. They want to see our Negroes coming along rapidly. I want to see their economic status bettered, and I believe that there are literally millions of southerners that feel the same way. Unfortunately, because of the treatment on the part of the press and other situations, we have had a misunderstanding, and we find that some of our extremists in the South are speaking out and giving their own impression of what we believe in.

Mr. Jenkins: Governor, in connection with the school situation again, perhaps you would like to outline the dealing of the southern governors with the White House in connection with the Little Rock situation.

Governor Hodges: I will make it very brief, Mr. Jenkins. At the Southern Governors' Conference where I was retiring as chairman, we passed a resolution authorizing a committee of us, of which I happened to be chairman, to go to the White House and see if we could do something to get the troops withdrawn from Little Rock. I was the spokesman for the group, and we said to President Eisenhower, who warmly received us, I said to him, "Mr. President, we do not come here as Democrats or Republicans, we do not come here as those favoring segregation or integration, we come as governors of sovereign states because we are disturbed, as the people are all over America, that you use federal troops in a sovereign state. There ought to be some way by people getting along together and sitting down and taking time to talk these things over and work them out so that you ought not to ever have to use troops again in this country."

Dr. Yap: In that connection, Governor, as you know, the President has appointed a commission on civil rights on November 7. Do you think that this new commission will in some way solve some of these problems of integration?

Governor Hodges: I think the Commission on Civil Rights will at least put it on a basis of some kind of rules and regulations based on what the Attorney General's department under the law passed by Congress might interpret. I will have to say this to you, in all honesty I think that most of the civil rights legislation discussed by either the Democratic party or the Republican party is primarily for political reasons; that there is a lack of sincerity in it and I, for one, believe that we ought not to play pawns with any race in that regard. Now I am very hopeful that the civil rights group will work slowly and moderately and will try to take care of us. We have never had a problem in North Carolina about Negroes voting. They vote regularly, and they are actually members of school boards and members of city councils here in this state.

Mr. Jenkins: Governor, you mentioned one of the causes of misunderstanding might have been the press treatment of one issue or another in the South. Do you have any specific examples?

Governor Hodges: Yes, we have had several examples. I don't want to take time because I don't want to try to hide behind the thing. We had a case where in one of our cities here they, without any trouble at all, had a mixing of the races that the metropolitan papers and other groups did not play it up at all, but put in the back page. Yet, when there was one single little incident in Charlotte, North Carolina, they played it up on the front page. They carried it to extremes, and I might tell you—and this is the first time that it has ever been said publicly—that the newspapermen in New York told me that in Charlotte, North Carolina, they re-enacted a situation where a girl was having some little twigs and sticks thrown at her in order to be able to carry it out in the papers. So there is nothing very sincere about it. Much of it is artificial. Could I say this in connection with misunderstanding, because I have had the good fortune of traveling in many parts of the world. I have a daughter who is married to a Britisher and who lives in Karachi, Pakistan, and I went to her wedding in Rangoon, and I have spent time in various parts of the world. I talked with a very distinguished American within the last two weeks who has traveled 200,000 miles in the last year around the world, and I would just like to say that our problem here we must work out. The same thing applies to every country. I could think of just a few. I could think of my good friends in the Scandinavian countries of Sweden and Finland and Norway where they have the Laplanders, as we call them over here. They are not educated, and they do not have them in their government. None of them have felt that they were able to get them in. They talk about our people, but forget their own situation. Of course, we will not talk about untouchables in India. We know what they are trying to do, and it is a terrific job, and I have watched them myself day after day in India as I have traveled around. We will not discuss the Arab and Jew situation because that becomes hatred of religion, and religion is even worse than politics from that point of view. We will not talk about the new Province of Ghana where they have some problems along the sames lines I am talking. And of course there are problems in Africa, and they have them in Italy, and this is the most astounding thing, because we talk of the North and South in America. The northern Italians are now trying to get up regulations to keep the southern Italians from moving up there because they think they are an entirely different kind of people. We will not talk about the aborigines in Australia or New Zealand, but just let me say that there are problems in every country in the world, and if you have it in your heart to be good to people, you will bring them along just as fast as they can take it.

Moderator: In other words, Governor, this problem is certainly not restricted to areas of the southern United States.

Governor Hodges: Not at all.

Moderator: Governor, before we close, I wonder if you could look toward the future of this integration problem and tell us what you see as to the working out of this problem.

Governor Hodges: I would just like to say that we tried in this country twenty-five years ago what is called a noble experiment of prohibition. We tried it for awhile and we had a mess and we finally corrected it. I say this, that if the federal government or any government, wherever it is in the world, tries to push something over and the people are not prepared for it, it will not work. Now, I think the thing for us to do in this country wherever we have the problem is to work it out the very best way we can, always having in mind trying to get along, and I think our whole governmental machinery must understand that we are dealing with human beings and must work slowly and gradually and with good spirit.

Dr. Yap: I would like a statement from the Governor about this world problem which is reflected by what is going on today. The NATO and its sister nations in Europe have spent much time in Washington conferring with our State officials in connection with the problems there. Then there is Southeast Asia where the Communists are coming in. The Middle East. There are problems all over the world, Governor, as you stated; even in my own native Philippines there are integration problems, but we must not magnify them. In India you mentioned untouchables. In Pakistan, you mentioned the Arabs and other tribes of religious people. What you said is true. Now, coming back to the last question, Governor, I recall hearing in my childhood days about North Carolina pitch tars, North Carolina cigarettes, and all of these are common all over the Philippines, and that is true all over the world. You are the outstanding state in the production of pitch tars and tobacco and its products. You are the leader in the social and economic reforms in all the southern states. And, my last request Governor, is—as my land is known as the land of palms and pines, your good state of North Carolina is known as the State of the Long Leaf Pine, and I would like, Governor, if you would recite for me the toast to that great state of North Carolina.

Governor Hodges: Thank you very much. I think it goes something like this:

Here's to the land of the long leaf pine,
The summer land where the sun doth shine.
Where the weak grow strong and the strong grow great,
Here's to "down home," the Old North State!

Moderator: Thank you very much, Governor. I'm sorry, but our time is up for this edition of Press Conference, USA. My thanks to the guest of the week, Governor Luther Hodges of North Carolina, and thanks too to our three correspondents and thanks to each of our correspondents who asked the questions, Jay Jenkins of the Charlotte, North Carolina, *Observer,* and Dr. Yap of the Manila *Chronicle.* Our program tonight originated from the office of the Governor of North Carolina in Raleigh, North Carolina.

STATEMENT TO THE INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE OF THE UNITED STATES HOUSE OF REPRESENTATIVES

RALEIGH
December 10, 1957

[Officials of North Carolina, South Carolina, Virginia, West Virginia, Kentucky, and Tennessee were heard by this subcommittee, headed by Congressman Lawrence H. Fountain of Tarboro, which was seeking better relations among the federal, state, and local governments. Governor Hodges was the first of various North Carolina officials to appear at the opening session and the only governor to be heard by the group during its meeting in Raleigh. His statement dealt mainly with his views on the subject of federal grants-in-aid to state and local governments.]

Mr. Chairman and Members of this Distinguished Committee:

I greatly appreciate this opportunity to express my views to you on the important subject of intergovernmental relations. Let me commend the committee most heartily for the fine work it is doing in making these extensive studies, and in holding regional hearings so that state and local officials and other interested citizens can meet you members face-to-face and express their opinions on these vital questions.

We welcome you to Raleigh, the capital city of North Carolina, and hope that your visit with us will be both informative and pleasant.

We are also very happy to welcome all of those from other states in the region who may appear during the course of this hearing in Raleigh.

The Report of the Commission on Intergovernmental Relations, which was made to the President and the Congress in June, 1955, is of major interest and concern to this committee.

In the introduction to that report is this statement, which I should like to quote:

> Precise divisions of governmental activities need always to be considered in the light of varied and shifting circumstances; they need also to be viewed in the light of principles rooted in our history. Assuming efficient and responsible government at all levels—national, state and local—we should seek to divide our civic responsibilities so that we:

> Leave to private initiative all the functions that citizens can perform privately; use the level of government closest to the community for all public functions it can handle; utilize cooperative intergovernmental arrangements where appropriate to attain economical performance and popular approval; reserve national action for residual participation when state and local governments are not fully adequate and for continuing responsibilities that only the national government can undertake.

I believe that the philosophy of governmental relations and responsibilities implicit in the statement just quoted is in harmony with our basic concepts of individual freedom and responsibility—concepts which have been tried and worthy guides for our nation from its earliest beginnings to the very present.

Certainly, we as a nation experience varied and shifting circumstances. Time does not stand still for a nation any more than for an individual.

Certainly, the precise and exact divisions of governmental activities need always to be considered in the light of changing circumstances.

Further, I suspect that in any discussion of theory, we would find a generally unanimous approval of the principle that we should put the utmost reliance on private initiative to solve our problems; that we should use the level of government closest to the community wherever possible; that we should utilize cooperative inter-government arrangements; and that we should reserve for national action only those activities and functions for which private initiative and state and local governments are not adequate.

While undoubtedly most citizens can agree to such a statement of general principles regarding intergovernmental relations, how is it that we have a great concern, and apparently extreme differences of opinion, respecting federal-state relations in this day and time?

Are we merely quibbling? Or is there some substance in our professed differences of view?

I think there is something, indeed, to the apparent conflict of views; and this conflict is not merely apparent. It is quite real. I believe it derives from both a difference in emphasis and a difference in fundamental convictions concerning the proper role of the federal government in the life of our nation.

Some of our citizens can recite from the tops of their minds the language and thought expressed in the statement of principles referred to above, and can and do express wholehearted allegiance to such principles. But that is as far as they can go.

On practically every existing or prospective governmental activity, some of our citizens almost automatically gravitate to, and think in terms of, a national pattern.

They would do it from Washington! There, the opportunity and means for imposing and enforcing a *uniformity* exists. Often, it seems, the inviting vistas of governmental bigness are simply and completely irresistible.

As a general proposition, I do not question that such citizens are often motivated by sincere concern for the welfare of the nation and our citizens.

I do question the wisdom and judgment of those who, without often realizing it, and without ever admitting it, become ardent disciples of what I shall term the "cult of governmental uniformity."

Having concluded that it would be good for people to have certain welfare services, educational services, health services, planning services, or sewage disposal service, these citizens think that such should be served up on a national platter, according to a national pattern, like it or not and need it or not!

This approach simply does not put much "working stock" in the principle that we should use the level of government closest to the community wherever possible. Thus, the principle is a good one to talk about, but not a particularly good one to act upon.

There is another extreme, at the other end of the citizen spectrum. This is represented by the citizen who at all times and in all things pleads that most any governmental service is an infringement of basic liberties. If a program is advocated at the national level, states' rights are inherently violated. If a service is performed on the state level, it is apt to be characterized as in conflict with the principle of private initiative.

Quite often, this sort of reaction reflects a desire to abandon the programs in question altogether rather than any real concern as to what is in the public and private interest in specific cases. Too often their "objections" finally mean that they want to do nothing at all.

It is also my observation that in dealing with the subject of of intergovernmental relations, it is easy to bog down in the quicksand of generalities; it is difficult to walk always on the high ground of precise and rational explanation and definition—especially on the subject of federal grants-in-aid.

There is another obstacle in the way of an intelligent appraisal and understanding of intergovernmental relations in our nation. That is the sheer complexity and bigness of the problem. The problem is as big as the nation itself.

The Kestnbaum Commission studied the subject nearly two years. That commission spent over a million dollars on the study. Its report consists of 311 pages, accompanied by fifteen supporting volumes of findings. The commission made over 200 recommendations.

There are more than twenty-five separate federal grants-in-aid programs. Total federal appropriations for these programs for the fiscal year, 1957, are over $4,148,000,000; and for 1958, in excess of $4,963,000,000.

There are countless questions with respect to each of the grants-in-aid programs that should be resolved.

I shall content myself, however, with some remarks on the federal grants-in-aid programs as requested in your memorandum, and a few remarks on federal-state relations on other grants-in-aid matters.

FEDERAL GRANTS-IN-AID TO STATE AND LOCAL GOVERNMENTS

Your committee recently compiled a report containing replies from state and local governments to a series of questions in intergovernmental relations.

The response which was filed on behalf of North Carolina appears on pages 143-155 of this printed report (*House Report* No. 575, June 17, 1957).

I should like to quote the statement of general philosophy which was filed on behalf of North Carolina, with my approval. This appears on page 145 of the printed report.

> We conceive that each of these programs and activities are basically functions of the state and their operation and maintenance are among the powers reserved to the state and to the people under our constitutional system. The state, either directly or through its subordinate units of government, undertook each of them in the beginning with the exception of the employment security program, which has always been an intergovernmental program. All of these programs and activities were undertaken as means of eliminating or minimizing definite and serious problems affecting the progress and well-being of the state as an organized political, economic, and social community. We believe that if all aid and cooperation of the federal government were withdrawn from any or all of these and other programs and activities, our state would in some measure continue their operation and maintenance within its own resources.
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> We readily acknowledge that, in that event, the present level of their maintenance probably would not be sustained and that the effects of lowering the standards would be felt beyond the boundaries of this state. We think, for that reason, that the federal government is justified in continuing to give aid and assistance to them to whatever extent the Congress deems appropriate. However, we maintain the position that these programs and activities are basically state programs and so must conform first to the laws of this state—which is to say, we hold that primary authority with respect to their control rests in the government of this state. Within the limits of that authority and consistent with it, there is no objection to meeting requirements established under federal auspices, and this state has never been adverse to making reasonable modifications of its laws in the interest of greater cooperation. But we wish to make it clear that this state will take a dim view of any proposed restrictions respecting any intergovernmental program or activity if that restriction is not germane to that program or activity or is contrary to the public policy of this state, however different our public policy in such case may be from that which obtains in other states; for this state holds that unity, rather than uniformity, is the primary basis of our intergovernmental relationships.
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> It is felt that the reduction or elimination of federal aid to any intergovernmental program or activity should be reflected promptly in a reduction of federal taxes or a reduction of the national debt rather than made the occasion for discovering other objects upon which the same amount of funds can be expended.

Speaking for North Carolina, I should like very much to see the day come when state and local governments *can,* and *will* assume all responsibility for those activities now supported in large measure by federal grants-in-aid. This is an objective which I think should be kept constantly in mind. It is a goal to be desired and sought for even though it is not reached soon, and one which perhaps we cannot achieve to an absolute degree.

Recognizing the convincing case which can be made for particular federal grant-in-aid programs, such federal activity should in fact be *in aid* of state and local governments—designed to *assist* the states to achieve minimum levels of performance in meeting acknowledged public needs. These programs should not be manipulated or administered so as to compel a uniformity of conduct among all citizens of the nation. State and local responsibility and initiative can and must always be kept inviolate.

Unity and cooperation, rather than uniformity as such, should be the acknowledged working basis of our intergovernmental relations.

State and local governments must remain free and unfettered to develop their own individual personalities.

Last Friday, December 6, at Hot Springs, Arkansas, I sat as a member of the Executive Committee of the National Governors' Conference, and with other state officials at the Annual Meeting of the Board of Managers of the Council of State Governments. The matter of intergovernmental relations was the chief topic of interest. As you may have seen in the press of the last few days, a joint task force consisting of a governors' committee headed by Governor Lane Dwinell of New Hampshire and a federal government committee headed by Secretary of the Treasury Robert B. Anderson made its report to the chairman of the National Governors' Conference, Governor William Stratton of Illinois and President Dwight D. Eisenhower. This was done in a joint letter of transmittal dated December 5, 1957.

This report, already released to the press, recommended that a *start* be made by the federal government in discontinuing certain programs and releasing to the states certain taxes.

In brief, this report recommended: (1) that the older program of vocational education be returned to the states and that the newer program of nursing training and fisheries training be discontinued; (2) that municipal waste treatment grants be discontinued; and (3) that states receive disaster aid under Public Law 875 only after each state had exhausted its own minimum contributions (in the case of North Carolina the suggested figure is $1,500,000).

Further, the committee recommended that the states assume some of the future burden of health and educational training needed in the development of atomic energy programs, and that in urban renewal programs the states assume the cost of the "planning portion" of such renewal projects.

To aid the states financially to compensate for the suggested discontinuance of these services, the joint committee recommends returning to the states 40 per cent of the revenue the federal government now receives from its tax on state telephone services. The total tax to be returned is said to equal or exceed cost of services to be discontinued, but it will vary widely from state to state.

These recommendations will be reviewed by governors, members of Congress, and others, and will be part of the agenda at the next national conference of governors.

As I said Friday at Hot Springs, most of us would agree in principle that wherever possible such programs should be returned to the states, provided we received back taxes to compensate.

For my own part, I am unwilling to reach hasty conclusions on termination of federal grant-in-aid programs. It is not in the interest of North Carolinians to continue to pay the various federal taxes at present high levels, and undergo cuts in federal grant-in-aid programs without corresponding and effective reductions in federal taxes.

The rather vital part that federal funds occupy in our total state budget is demonstrated by the following excerpt from the *Digest of the State Budget of North Carolina* for the 1957-59 biennium.

> It is expected that $261,117,687 of federal funds will be allocated to North Carolina for operational and maintenance activities of several state agencies during the 1957-59 biennium, which compares with $188,778,208 for 1955-57, an increase of $72,339,479, or 40 per cent. While the major share of this sum is to be made available on a matching basis, a lesser portion is pledged as a direct grant, depending upon the purposes of the operation or program.
>
> Federal participation in highway construction is the most extensive and represents 50 per cent of the federal government's allocation to the state, all of which is on a specified formula matching basis. Agencies engaged in welfare activities are expected to receive $81,777,993 from the federal government during 1957-59. This compares with $72,305,265 for the current biennium. Of the more than $81,000,000 allocated for public welfare activities, $76,700,000 will go to the State Department of Public Welfare and the balance of more than $5,000,000 will be allocated to the State Commission for the Blind.

In support of education in North Carolina, the federal government has scheduled $18,879,374 for 1957-59 of which $10,384,270 is to be provided for school lunchroom activities; $2,941,344 for vocational education; $2,680,267 for veterans training program; and $2,480,293 for vocational rehabilitation. The balance is distributed to North Carolina State College and A & T College.

The Employment Security Commission is expected to receive $11,068,934 which will account for 4 per cent of the federal funds allocated to the state. The state makes no appropriation to this agency; however, these federal funds are budgeted and expended under the provisions of the Executive Budget Act.

Federal grants for agriculture will amount to $7,110,802, most of which is expended by the Agricultural Extension and the Agricultural Experiment Station.

Under natural resources and recreation, the Wildlife Resources Commission will receive $808,000 and the Conservation and Development Department will receive $792,396, or a total of $1,672,396 for this function of State Government.

Health and hospitals are scheduled to receive a total of $4,031,454 in federal funds during 1957-59, all of which will be allocated to the State Board of Health.

The balance of the federal funds which North Carolina is expected to receive totals $426,000 or .017 per cent of the total, which will be allocated to the Department of Labor, the Council of Civil Defense, and to the correctional program.

Appropriations to be made by the federal government for capital improvements (for example, allocations for new hospital construction allocated to the Medical Care Commission) are not included in the above allocations.

(If I might suggest, without at all being facetious, the federal government might return to us taxes which it now places on tobacco. We in this state could do a pretty good job with this tremendous sum of money now shared with other states. For the year 1955-56, the federal government collected tobacco taxes *from North Carolina alone* amounting to $857,983,000.)

To be as helpful as possible, may I make two specific suggestions as to approach to these problems.

(1) See that a periodic and thorough examination is made by Congress of every federal-aid program. This should be done at least every two years, and state officials should, of course, have full opportunity on each occasion to express their views.

(2) Where grants-in-aid are made, let it be done on a "needs basis", with "ability to pay" as a definite criterion. In other words, see that the individual state pays "all that it is able to pay". This is a principle that should be followed by the federal government

with respect to states just as the states should do with respect to their counties, cities, and towns.

In some areas, we have problems particularly affected with a national interest, requiring national action to resolve. Highway construction is an example. Roads and highways do not, in the physical nature of things, stop at state boundaries.

An adequate network of roads and highways throughout the entire country is a national necessity. Their provision should not be left solely to the varying capabilities and inclinations of the forty-eight different states.

There are several specific questions on federal grants-in-aid programs and their administration which are being considered by your committee. Many of these will be dealt with by state officials who will file statements for the committee's record or will appear in person during the course of these hearings.

FEDERAL-STATE RELATIONS ON OTHER THAN GRANT-IN-AID MATTERS

Your committee has indicated that it is interested in any important problems of an intergovernmental nature (other than problems involving grant-in-aid programs) which are caused or aggravated by the action or inaction of another level of government.

I am sure that there are many such matters which, given the time, could be constructively discussed, but I shall leave these to individual presentations of those who will follow.

Other problems will emerge that must be carefully studied in the future by all levels of government, and decisions must be made as to the best division of responsibility. I mention such things as aging population, mental health, juvenile delinquency, education beyond high school, especially scientific education, and many others.

Again may I thank you for being in North Carolina and for your service to the nation and its sovereign states.

ADDRESS OVER STATE-WIDE RADIO AND TELEVISION NETWORK

RALEIGH
January 7, 1958

[Reviewing events of the legislative year 1957 and looking ahead in 1958, this thirty-minute Report to the People of North Carolina originated in the studios of WUNC-TV at North Carolina State College and was carried by six television stations at nine o'clock in the evening. It was recorded and presented on radio stations half an hour later.]

Good Evening, My Fellow Citizens:

Tonight, while we are yet standing at the threshold of the New Year, I want to take a few minutes to share with you some of the thoughts I have in my mind and heart.

Just a few days ago, we paused in our daily labors to celebrate the Christmas season. I hope very much that you had the opportunity during the holidays to renew fellowship with your family and friends. It is my hope that all of us were able to grasp anew the true meaning and spirit of Christmas; that in so doing, we could all look back at the year drawing to a close and view any achievements with humility and thankfulness; that we could look upon our failures with regret, but not despair.

Christmas brings to us the message of hope and compassion, in the love of Him whose birthday we celebrate, to remind us all again that God is just and merciful to mankind.

With the renewed faith given to us at the Christmas season, all of us are enabled to embark upon the New Year with new courage, greater strength, and a determination that in *this* year we shall indeed be a better people.

I know that in this time of world tension, with critical national problems pressing for solution, the problems and accomplishments of our state and local governments often do not gain much attention or concern from the average citizen. The guided missile (or the misguided one), the summit conference, the Near East crisis, the European crisis, and the Washington, D. C. crisis—all of these are matters of the most serious consequence to us all. We well know that our freedom and our very existence depend upon a more resolute and more adequate handling of the national and international problems which confront America.

Whatever our political party affiliation, as American citizens we can and do join together in the hope that the present national administration will, in this year ahead, give to the nation and the world an active, intelligent, and imaginative leadership—both in the cause of national unity and international peace.

Although our national citizenship responsibilities are of the utmost importance, we must also remember our citizenship responsibilities on the state and local level.

Our state and local governments have an untold capacity and opportunity for service to the people—and a corresponding capacity for disservice, if the authority of government is unwisely or wrongfully exercised, or if it be not used at all.

Have you given any thought recently to the specific functions and services for which your state and local governments are responsible? For example, what is our state doing in the matter of *education, highways, welfare and health,* or just in *maintaining law and order?*

What would our lives be like today if we had no publicly supported schools and institutions of higher education? Or, if we had no network of highways and roads to knit together our farms, our homes, our cities and towns, and to open doors to places far beyond the borders of our state. What would life be like if we had no program of public health and welfare? Or, if we had no courts of justice or the means to maintain law and order.

Merely to ask these simple questions is to emphasize the importance in our daily lives of our state and local governments and to emphasize the continuing necessity that they carry forward their vital functions vigorously and efficiently.

To enable us to chart a good course in your state government through 1958, we need to look back as well as to look forward. I want to mention tonight some of those things that have been done during the past year in efforts to serve the people and some of the things we hope to see accomplished in the months ahead.

As you know, 1957 was a "legislative year." The General Assembly met in the capital city of Raleigh in regular biennial session. The elected representatives of the people adopted revenue laws, approved appropriations, and enacted laws on a variety of matters—in short, the Assembly set the course of policy for the state for the biennial period, 1957-59.

In my opinion, the 1957 legislature was composed of outstanding representatives of the people, who worked long and hard on behalf of the state. I am sure that we all can agree that it performed many worthwhile and long-lasting services for North Carolina.

The state's money problem is always one of the most difficult subjects to come before each legislative session. The 1957 session was, of course, no exception in this respect. What taxes should be levied and what appropriations of public funds should be made?

The 1957 General Assembly made some very beneficial and needed revisions in our tax laws.

For example, the legislature changed the allocation formula by which the taxable income of businesses having operations in more than one state is measured for taxation in North Carolina. This change did not reduce the *rate* of taxes on business enterprises, but made our formula of taxation similar to that used in the *majority* of all other states which levy corporation income taxes.

This change in our tax laws was greatly needed for the overall and long-range good of our state's economy. I am confident that the years ahead will vindicate this action of the General Assembly. I believe that we shall see, over a period of time, a greater development and growth of industrial enterprises in North Carolina, which will mean more jobs and more income for our citizens and their families. The year 1957 was a most successful one in getting new industries. We hope the state can continue to secure additional payrolls.

Other important changes were made in the revenue laws, of benefit to many thousands of individual North Carolinians. The 3 per cent sales tax was removed from farm machinery parts; farmers and other non-highway users of gasoline now receive an additional one cent per gallon refund; small farmers, small business proprietors, and wage earners who supplement their income from other sources—totaling more than 111,000 persons—will have a $650,000 tax reduction as a result of extending the standard deduction privilege.

In 1957, the great and exciting Research Triangle project was announced. By utilizing the scientific and research facilities of the University at Chapel Hill, Duke University at Durham, and State College at Raleigh, I believe that in North Carolina we shall see the development of one of the nation's greatest industrial research centers. This is also a long-range development but it will mean much for the educational, cultural, and industrial advancement of our state.

I have mentioned the action of the 1957 legislature with respect to taxes. Now, what about appropriations? How is the state's money to be spent during the two-year period, 1957-59?

The state's total budget for the biennium, including funds from all sources, is more than $1,000,000,000. Almost one-half of this amount comes from what is called the state's General Fund.

The General Fund includes our state income and sales taxes and the various privilege and license taxes on business enterprises General Fund revenues finance the operations of the public schools, the higher educational institutions, the mental hospitals, health and welfare activities, and what is called "general government", that is, the executive agencies in Raleigh and our judicial and legislative departments.

The taxes on gasoline and motor vehicles are placed in a separate bank account, so to speak, which we call the Highway Fund. A substantial sum is placed in a third account, the Agriculture Fund, to finance the numerous agriculture services.

In addition to these appropriations, the legislature also authorized the expenditure of some $260,000,000 received in federal grants-in-aid for various purposes, such as highway construction, public welfare, vocational education, agriculture, hospitals and health services, and unemployment compensation payments.

You will be interested in knowing that education received by far the greater portion of the amount authorized for expenditure during 1957-59. More than $384,000,000, representing slightly above 70 per cent of the state's General Fund appropriations, is for education at all levels—the public school system, the various state-supported colleges, and the University.

Highways received the next largest amount of state-appropriated dollars.

Next, in order of budgeted dollars, is public welfare, then health services and hospitals. The remaining services for which appropriations are made, representing *less than 20 per cent* of total budgeted funds for all of them, are shown on the chart. Note particularly the small percentage of our total funds for general government purposes—that is, to operate all of your executive agencies and offices in Raleigh, and in addition, the judicial and legislative departments of the state government.

Now, I should like to discuss with you some of the specific problems we face in certain areas, and what we shall be doing during 1958 in an effort to meet these problems.

EDUCATION

At the present time, state appropriations for the operation of public schools amount to more than $160,000,000 a year, and this figure does not include some $8,500,000 for teacher-retirement benefits and $3,500,000 for payment of state bonds issued to assist local units in school building construction.

At the end of the first month of operation of our public schools in the fall of 1957—that is, the present school year—more than 1,037,000 pupils were enrolled.

This year we are employing 37,000 teachers and other professional personnel in the public schools.

It is readily apparent that a great many more dollars will be required in the years ahead simply to maintain our present educational standards and to provide the additional teachers and classrooms for the thousands of new pupils entering the public schools each year. This does not take into account any improved or new program to raise our educational standards and performance. During the present year, state expenditure per pupil for the nine-months' school term is $153. For each $1.00 increase in per-pupil cost, the state puts up over $1,000,000.

We must also recognize that in some respects, especially in classroom facilities, we are far short of meeting present minimum needs. A recent survey of school building needs shows that several schools are forced to operate double shifts to take care of enrollment and that more than 36,000 children are now being taught in improvised classrooms.

These are problems which must be solved. But instead of talking about them in Washington, D. C., we are trying to do something about them in North Carolina.

A loan fund of approximately $300,000 has been put into operation for prospective teachers. A practical industrial training program at high school level, to meet modern needs, is being implemented with an appropriation of $500,000. In 1957, salaries for teachers were increased 15 per cent, to make the average annual pay for school teachers in North Carolina $3,644.80 for the nine months' term. With this increase, the average teacher's salary in North Carolina is higher than the average in the other southeastern states, with the exception of Florida. Unfortunately, we still rank far below the wealthier states in the nation in average school teacher pay; but we must keep in mind that North Carolina ranks forty-fourth in the nation in per capita income.

The 1957 General Assembly wisely provided for the appointment of a special study committee to look into the entire problem of public school financing. This committee will study the resources we have available at the state and local government level to meet our public school needs, in line with ability to pay. It is my sincere hope that the committee will have ready for the 1959 Assembly a program which will give our schools and our teachers adequate financial support and one which will receive the wholehearted approval of the people of this state.

A further accomplishment in our educational program involves the public school curriculum. I know that many of you have, at times, had questions in your own mind as to whether our schools have been giving the proper emphasis to the right subjects. And further, should our schools, particularly at the high school level, afford more opportunity to the specially talented students to advance to their full potential, rather than simply meet the curriculum standards prescribed for the average student.

All of these questions will be the subject of a special curriculum study made under the supervision of the State Board of Education. This study is made possible by a grant of $50,000 from the Richardson Foundation and is especially timely in view of recent international developments emphasizing this nation's relative weakness in important scientific areas. Many prominent citizens are now telling us what a few lonely prophets in the past often said: that our public schools should be places of more study and more learning and less play.

Looking briefly now at the field of higher education, we foresee an even greater percentage increase in student enrollment than in the public schools. We have nine state-supported colleges, with the three-unit Consolidated University occuying a justly famed and beloved role in the life and progress of our state.

Under legislation enacted at the last session, the state will give further financial assistance and encouragement in the development of community colleges. This is a growing field which should interest the larger towns and cities.

Further, the state has authorized the establishment of a second technical institute in the state. This will furnish courses in engineering and related subjects to meet modern demands.

The tremendous challenge and opportunity confronting us in the field of higher education make ever more necessary the wise use of our resources, proper apportionment of available funds, and planning ahead with sound and intelligent vision; and the Board of Higher Education, working with our fine colleges, will try to achieve these goals.

We will also continue our cooperation with private colleges and institutions, which have a most important place in higher education in North Carolina. More than 45 per cent of all the students attending a college or university in this state are enrolled in a private institution, most of which are affiliated with religious denominations. Their contribution to the educational advancement of North Carolina cannot be measured in mere dollars and cents. They give to us enduring spiritual values as well.

HIGHWAYS

For the current biennium, we have budgeted for expenditure on highways a total of $243,823,162 in state funds; and in addition, our legislature has authorized the expenditure of $161,207,749 in federal aid funds for highway construction, or a total of over $400,000,000. Percentage-wise, most of the federal funds are for the new interstate highway program.

Our State Highway Department has administrative responsibility for more than 70,000 miles of public roads and highways. So that we could achieve a more efficient and modern operation in our vast highway program, the Highway Commission was completely reorganized under legislation enacted by the 1957 General Assembly.

I am convinced that the reorganization of the State Highway Commission, with its concentration on providing service on a state-wide basis of need, its long-range planning, its establishment of better accounting and budgetary procedures, its effort to provide more information to the public and bring our people closer to the work of the commission through public hearings, will all result in a wiser use of the taxpayer's dollar while providing greater service during 1958 and the years following.

No discussion of highways is adequate without some reference to their use and to the problem of highway safety and the enforcement of our traffic laws.

During 1957, motor vehicle registration in North Carolina reached a total of 1,719,393 vehicles. We had 2,021,006 licensed drivers.

Although we have an ever-increasing number of vehicles on the road, we are gratified that during 1957 there was a slight reduction in the highway death and accident toll. Nevertheless, the figures still remain tragically high. A total of 1,054 people lost their lives in highway accidents in North Carolina during 1957, and 15,490 were injured.

I suppose that the mere recitation of facts and figures about highway accidents has little meaning for many of us. If each of you, however, who was spared the tragedy of death or serious injury in your own family during 1957, could pause just a moment and in your mind's eye look in upon the hundreds of families who were thus affected during 1957, the highway safety problem would have more meaning for you.

In one household, we would find that the father and husband and bread-winner of the family was suddenly snatched away. In another home, the small son or daughter had just gone out into the yard to play a short while ago; and now that child will never play any more. Or, if you looked in at another house, we would see the young teen-ager who had left early in the evening to visit with young friends; during the night, the telephone rang and a heart-breaking message came over the wire.

This, then, is what I mean when I speak of our highway safety problem.

Highway traffic will increase in North Carolina during 1958, just as it has during each year for the past decade. We must continue to do everything possible to reduce the tragic toll of death and injury on our highways. The responsibility starts, and in a sense ends, with each individual citizen.

I urge that each of you resolve that during 1958 you, personally, will do your full part in making safety on our highways a living reality.

The General Assembly authorized a $1.00 additional charge on license plates to further driver-training education in the high schools. It also passed legislation requiring auto insurance or other evidence of financial responsibility before plates could be issued. Both of these were in the interest of safety on highways.

Another activity for which you as citizens deserve much credit was the anti-litterbug campaign. Our people cooperated with our state-wide committee to keep our state beautiful by not littering streets and highways. A program of education and enforcement will continue.

Our prison system was separated from the Highway Department and is making remarkable strides in its program of rehabilitation without pampering. It is developing work opportunities for prisoners in farming, forestry, and certain industrial activities, in addition to work on highways.

ADMINISTRATION OF JUSTICE

Another matter I wish to call to your attention—and solicit your interest and concern—has to do with our system of courts in North Carolina.

Perhaps the most basic obligation of government, both state and local, is simply the maintenance of law and order, the protection of life and property. To do this, we must have an adequate and efficient court system to resolve our civil disputes and to prosecute promptly those who have violated our criminal laws.

As the major trial court in this state, we have a Superior Court in the county seat of every county. In addition, there are a large number of local recorder's courts, juvenile courts, and domestic relations courts. We have an even larger number of justices of the peace who exercise judicial functions. It is estimated that we have a total of more than 1,400 separate courts in the state, operating substantially without any kind of administrative control or supervision.

I think it is accurate to say that their costs, financing, procedure, and their jurisdiction are unnecessarily confused and difficult to understand. I wish to emphasize that we have able and competent judges and solicitors conducting the operations of our many courts, and it is no fault of theirs that the system itself often makes a difficult task even more difficult.

Our lawyers and judges have recognized the problems involved in our present court organization and, for some time, through a distinguished committee of the North Carolina Bar Association, have been carrying on a detailed and intensive study of our court system.

This study, which has been made possible through the generosity of a foundation which made available a total of $90,000 to the Bar Association committee, will be completed during 1958. Recommendations will be placed before our 1959 General Assembly.

The thought that I want to leave with you tonight, my fellow citizens of North Carolina, is simply this: *We now have at hand* the means to make a long-overdue and substantial improvement in the administration of justice in the courts of North Carolina; we must not let this opportunity fail, and I urge the support of every citizen. Let me urge you to take an increased interest in the courts of your community. Find out more about their problems and difficulties, as well as their good accomplishment under difficult situations.

LOCAL GOVERNMENT

I have referred to the great importance of local government. We all know that if we have vigorous and efficient government on the local level, we will not be inclined to rely upon or to need a more centralized and impersonal government, either on the state or national level.

Municipal and county governments are faced with particular problems and difficulties. Quite often, they have responsibilities but not the power or the financial resources to meet those responsibilities.

Also, I think we have permitted too many decisions of a local nature to be made in Raleigh. We should give careful consideration to a much greater degree of "home rule" for our cities and towns and counties.

You will be surprised to know that more than two-thirds of the bills which are considered at a legislative session are local bills, dealing with some problem or question involving only one county or one community within the county.

Our last legislature recognized the growing problems confronting local government, particularly municipal government, and authorized appointment of a nine-member commission which will give intensive consideration to this matter during this year and have their recommendations for the 1959 Assembly.

CONSTITUTIONAL REVISION

One of the most important actions of the 1957 Assembly was the authorization of a commission to study our state constitution and to recommend desirable revisions for consideration at the 1959 legislative session.

This fifteen-member commission has been appointed, comprising some of the state's most distinguished and devoted public servants.

I am confident that this outstanding group, which knows and loves North Carolina, will render our state a great service.

I wish time permitted a full discussion of constitutional revision. Our present state constitution is almost 100 years old, and is substantially the same document which was adopted in 1868, while our state was still under military occupation following the Civil War.

Many of the constitution's present provisions have been long out-dated, and there are several basic questions of constitutional policy which we should reconsider.

For example, one matter of constitutional policy which has long plagued us is the question of legislative apportionment. When our constitution was written, it provided for a fifty-member Senate and a 120-member House of Representatives. At that time, the total population of the state was approximately 1,000,000 people. The population of our state today is over 4,000,000 people.

While the reapportionment question was considered by the 1957 session, I am hopeful that the new Constitutional Study Commission can make a recommendation which can be accepted. I believe that we can find a way to reapportion our legislature, giving due consideration to the factor of area, represented by our lesser populated counties, and giving due consideration to the factor of population.

The 1957 General Assembly authorized other study commissions and *continued* two important ones; namely, The Commission on the Reorganization of State Government, and the Commission to Study the Revenue Structure. These groups of patriotic North Carolinians will work hard in 1958 to prepare recommendations for 1959, which will look to a greater, brighter future for our state. I commend these members and urge our citizens to acquaint themselves with the various commissions and to offer suggestions to them.

AGRICULTURE

I want to speak now of the farmers of North Carolina, of some of the difficulties that our farm people had to bear during the past year, with a substantial loss in income.

We well know that North Carolina as a state cannot alone solve our farm problem. It is a national problem, requiring in most instances, national action. However, very few states are as dependent on a single crop (tobacco) as we are. Continued dependence will invite further trouble and problems. Few people realize that the average acreage allotment for our tobacco farms is between three and four acres. This aggravates our problem because it mainly hurts the small farmer.

Through our many agencies and the cooperation of our farmers we are making progress in mechanization and diversification, but we must do much more. I may have more to say on this subject in the near future.

In closing, I should like to point out that the cost of all government is rising at local, national, and state levels. People are demanding more services, and needed ones must be provided. Further, the state is growing in population and in higher standards of living. All of these things cost money—lots of money.

Money comes from state revenues, and state revenues come from taxes on you and me.

I want to see our people enjoy life more and to have more services where needed. I believe that our reorganization programs will help give us a better chance in the state to afford these things without excess cost and expensive duplications. All of us in state government should strive to give the best service possible to the people. You as citizens should interest yourselves in government and in your candidates for the next General Assembly; and see that you continue to send good men to represent you in making laws for the state.

I shall not try to prophesy as to our future economic welfare and our fiscal outlook for 1958. Naturally our state will, in general, follow the national trend. So far, our General Fund revenues have held up fairly well, but we will know more in the next few months and will keep you informed. There are present indications that highway revenues may be short of estimates made last spring on a more optimistic basis than had previously been done!

May I now add a personal word of my own to this "Report to the People of North Carolina": I am deeply grateful for your continued friendship and support, for your prayers and good wishes. May I say in sincerity and simplicity that it has been a joy to serve you for the last three years, and I look forward to the next three years of service as your governor. The only reward I want is to have you feel that I have been able to render some service to the state and its future. I serve the state because I love North Carolina and its people, and I want to see us move ahead toward a better, brighter future for all.

Good night!

ADDRESS AT A FLORIDA DEMOCRATIC PARTY DINNER

MIAMI BEACH

January 25, 1958

[Governor Hodges was in Florida for a vacation and a series of speeches in January, 1958. He addressed the Committee of 100, a development and promotional organization of Miami Beach on January 21; spoke before the Rotary Clubs of Fort Lauderdale and Miami on January 22 and 23, respectively; and made this address at a statewide Democratic party fund-raising dinner at Miami Beach on January 25. In his speech to the Florida Democrats he flayed the Eisenhower administration for its ineptitude and lack of leadership both in domestic and foreign affairs, made a plea for unity in the Democratic ranks, and urged Florida and neighboring states to join with North Carolina "in the march toward an overwhelming Democratic victory in 1960."]

My Fellow Democrats:

It is a thrill to be here tonight and to share in this great Democratic meeting sponsored by so many Florida Democrats who believe in our party and in its ability to meet the challenge of the future! I am encouraged with the enthusiasm, vigor, and activity which I have witnessed here tonight. May I commend all who have had a part in making this dinner possible and wish for you success in this important election year.

I bring you greetings from the Democrats of North Carolina where our party has rendered outstanding service for the past one-half century. I also bring greetings from the people of our state who have watched with amazement the tremendous growth and development of your great state of Florida. There is no need here to review the amazing expansion in your state. It is almost beyond description.

As the governor of another southeastern state, I can tell you that Florida is a tough competitor when it comes to securing industry and also in the highly competitive travel business. Sometimes our travel people complain that North Carolina is merely a "bridge state" between the Northeast and Florida. This may be so, but we are still grateful for the traffic generated and assure you that North Carolina will continue to compete with Florida and the rest of the southern states as vigorously as possible in 1958 and the years ahead. This is merely a friendly warning. Things are on the move in the Old North State!

I should like to pay a sincere tribute to your great Governor, LeRoy Collins, and for his enlightened leadership in Florida and throughout the nation. I have worked closely with LeRoy Collins as a fellow governor, as a member of the Southern Governors' Conference, and as a member of the Southern Regional Education Board. I have found him to be a man of out-standing intellect, ability, and character, as well as great personal charm and vigor. Speaking as an outsider to Floridians, may I say that LeRoy Collins reflects great credit upon your state, your government, and the Democratic party. I know you appreciate that fact even more than I do.

It is my privilege tonight to challenge you as southern Democrats to speak out for the Democratic party and to urge those who may have "wandered" in the 1956 general election to come back to the party which has done so much for them and for the country. I shall make no effort to try to explain what happened to many people who left the Democratic party in the last two general elections, especially in 1956 when several southern states went into the Republican column. This is a matter which should be left to each individual voter and his conscience.

However, the people were made to believe that President Eisenhower provided such an attractive personality, outstanding record of military service, and potential ability to deal with international aggressors—well, it was just such a well-promoted "political package" that it seemed to be irresistible to many individual independent and Democratic voters. This was particularly true in the fall of 1956 with the Suez crisis exploding across the eastern horizon, and people did more "emotionalizing" than reasoning. Looking back on that campaign, we realize and understand better the clarity and the depth of the opinions expressed by Adlai Stevenson, our Democratic candidate at that time, who spoke out with great courage.

Let's take a good look at America today, after five years of Republican rule, and see if we can find just how we stand. Regardless of how you analyze the facts, the chilling results are always the same: The President, his administration, and the Republican party have failed to give our nation and the world the decisive leadership so desperately needed in these years of cold war. Even most Republicans will admit that we are in serious trouble, but there are professionals like Nixon and others who are busy trying to point the finger of responsibility and blame to the Truman administration *six years* ago.

Some of the Republicans have attempted to blame the previous Democratic administration for the existing situation today with regard to intercontinental ballistic missiles. The pre-1953 Democratic record is a good one: Every operational missile in the hands of our troops today was initiated by the Democratic administration, and this includes the Intercontinental Atlas and the Army Redstone. The Republicans, with President Eisenhower as their leader, must accept full responsibility of the last five years of confusion.

The successful launching of the Russian Sputniks set off a chain reaction of near-hysteria in Washington and in many parts of the free world. The decline in prestige and confidence in President Eisenhower, not only in this country but throughout the world, is clearly evident to all. The atmosphere in Washington is one of insecurity, and people are wondering what will happen next.

As if all this were not bad enough, our nation is struggling with falling farm prices, rising consumer prices, a tapering off of business in general, rising unemployment, and on and on.

As Adlai Stevenson said recently at the New York County Lawyers' Association dinner: "We have suddenly discovered that the richest nation in the world, with the truest democray, the greatest freedom, the largest rewards in human and economic values to the individual, has been outstripped in vital areas of science, technology, and production, by a despotism that doesn't provide a decent standard of living for its people."

He continued: "By a single spectacular scientific achievement we have been brought face to face with the fact that Russian scientists have led us across new frontiers, that Russian children are today better educated in certain vital respects than our own, that Russian basic production is increasing at a much faster rate than ours, and—perhaps most serious of all—that Russia stands today in the eyes of the majority of the members of the world's population as more skillful, more powerful, yes, and ironically, more peaceful, than we are."

Just why has President Eisenhower failed to give us the strong, dynamic leadership we need and why has he lost prestige so quickly? There are many reasons which have been offered by various leaders of both parties throughout the country. I will cite only a few. Some say Mr. Eisenhower has relied too much on a military staff organization, that he has done too much sermonizing on well-accepted ideas with very little action. Other critics have said "too much golf, too little understanding of politics, physical incapacity to meet the full responsibilities of office, reluctance to assume the authority of a benevolent Caesar," all of which have resulted in a shifting of blame for adverse events from the President's subordinates to the President himself.

Even some Republican leaders have listed several basic causes for Mr. Eisenhower's declining prestige: "A second Presidential administration enjoys less general public support than a first . . . (I don't think this is always so) . . . farmers generally have lost confidence in the administration and are beginning to shift the blame from Benson to Eisenhower . . . 'Modern Republicanism' failed to inspire and unite the party and the administration—it proved to be only a divisive influence . . . President Eisenhower's 'biggest budget in peacetime history' failed to fire the nation with the belief that Washington was once again alive to the people's needs. . . ."

All thoughtful observers—Democrat, Republican or independent—agree that the Russian satellite challenged the President's judgment in the field he was supposed to know best—the safety and security of the nation. On matters of national defense we must present a united front to the world, and I know that the President will have the cooperation of the Democratic majority in Congress. Despite the errors in judgment which have been made, we must move forward in our defense program with every possible dispatch.

In connection with the Little Rock crisis, the Republicans have been partisan as well as bungling. There was much politics in connection with the Little Rock incident at the national level; and probably at the state level, but the national level was representing the country as a whole; and it was a serious error to send troops into Little Rock. Despite the fact that our governors' committee that visited the White House to ask for removal of troops had tried to put their position above party or above belief in either integration or segregation, the assistant president, Mr. Sherman

Adams, stated at San Francisco in a speech some weeks after Little Rock that the Republicans would use Little Rock as part of their campaign program.

While we cite the failures and the "too little, too late, too badly" performance of the party in power, this outlines for us the tremendous opportunities for service which we have as Democrats at this crucial moment. One national writer commented: "Since the Democrats had the good fortune to be out of power during America's space age Pearl Harbor, the orbits of the red moons are a plus for the Democrats."

Whatever the reasons, never before in our history has the time been more right for the Democratic Party to unify its aims and goals, solidify its ranks, and furnish the nation with the type of determined, vigorous leadership which we must have if America is to survive. We must unite and march forward to victory in the 1958 congressional elections and work toward success in capturing the presidential election in 1960.

About the only satisfaction that many Republican writers can find in the present turmoil among Republican ranks is the charge that the Democratic party is split even more—they say. Frankly, I am not discouraged about the differences in opinion in the Democratic party because I believe that our party is big enough and live enough to hold all of us within its ranks. Long before the Supreme Court decision on school segregation and other recent developments, there had been strong differences of opinion within the Democratic party on the entire matter of civil rights. In 1948 President Truman brought together a badly divided Democratic party and won an uphill fight against Mr. Dewey, despite the loss of some southern states and the opposition of an active third party. He won because the people of America believed that the Democratic party offered the best economic and social benefits to them as individuals.

Political activity in any party is not possible without differences of opinion and this is especially true in any party convention. I personally watched our 1952 and 1956 conventions and was not discouraged with the differences then. I want to emphasize that there are many more things that *unite* us as Democrats than *divide* us. We are united in the belief that the average citizens in America should be represented in all governmental decisions affecting the life of our nation. We have a magnificent record as a national party of service to our country and to the people in all walks of life who believe that our nation should remain free, strong, and prosperous.

We are all aware of the misunderstanding and dissensions which exist among the various sections of our great nation. It is vitally important that we seek to understand the point of view of each section of our country. Each section has something to contribute and it should not be considered as minorities or special groups. Each section should make its contribution to the welfare of the entire nation.

Without any hesitation, I predict that the South will vote solid Democratic, not because it is the South, but because it knows the record of the Democratic party and some of our southern states have tried the other and did not like what they saw or what they experienced. North Carolina led the nation in providing the largest electoral vote for the Democratic presidential candidate in 1952 and 1956. We are proud of this record but expect more of our neighbors to join with us in the march toward an overwhelming Democratic victory in 1960. Part of this Democratic victory will result from the disillusionment on the part of the public toward Mr. Eisenhower and his lack of leadership in both domestic and international affairs, his failure to stop inter-service rivalry, the despair that has come to the people because of being misled into the belief that America led the world in scientific and military matters, and the "36-hole work week" going on at the same time that these other things were developing. Then add to this record the Little Rock tragedy, the invasion of the integrity of an individual state on the part of federal troops and you have the straw that broke the elephant's back.

Recent elections show a strong trend toward the Democratic party. Wisconsin elected its first Democratic senator, William Proxmire, since the 1932 Roosevelt landslide. New Jersey elected Democratic Governor Robert B. Meyner for a second term and New Jersey Democrats piled up their biggest majority in the state assembly since 1912. In New York, Democrats chalked up an imposing record with Mayor Robert F. Wagner's 920,000-vote plurality. Gains were made in upstate New York cities; GOP hopes in Virginia were short-lived; and Republican administrations were ejected in six Pennsylvania cities, and so the story goes.

Public-opinion polls have shown that the Democrats are on the upsurge in the traditionally Republican Midwest, that more people are listing themselves as Democrats on the national level, and we know that Republicans are fast losing ground in the South. I believe that they will lose every state in the South, including Florida. Here in Florida you can help greatly to give the Republicans the greatest licking they have had since the early days of FDR. You have a good Democratic state administration. You have good Democratic senators and representatives. Don't be ashamed to tell your visitors that the Democrats can provide the best leadership for our nation. Most of your visitors made their money under the Democratic administration. The average man in America has made his gain under the Democratic administration.

Let's work together to make our party stronger and pick out Democrats for candidates who can command the confidence of the people based on the broad principles of the Democratic party. We Democrats have much to offer our nation!

I am a Democrat, have always been a Democrat and glory in Democratic principles. I am confident that you feel the same way and will work toward victory in 1958 and 1960.

Thank you and good night.

ADDRESS AT THE DEDICATION OF A NEW ADDITION TO THE RESEARCH LABORATORIES OF R. J. REYNOLDS TOBACCO COMPANY

WINSTON-SALEM
March 3, 1958

["Industrial Research—Key to a Prosperous Future" was the theme of this address made by Governor Hodges to the management and employees of the R. J. Reynolds Tobacco Company and their guests at the dedication of a new, modern research facility in Winston-Salem. The occasion afforded the Governor an opportunity to reiterate his conviction that one of the most promising possibilities of industrial growth in North Carolina is through the attraction of new research and development facilities to the state. "Industrial research is definitely looking South," he said, "and we in North Carolina must do everything possible to get our share."]

Thank you for allowing me to share in the dedication of this new and modern research facility. I am pleased to join with the management and employees of R. J. Reynolds Tobacco Company, with state and local officials, and with many citizens of this state in this great event today. The construction of this research laboratory addition is further evidence of the great faith and confidence which R. J. Reynolds has in Winston-Salem, Forsyth County, and North Carolina. I want to commend all who have had a part in making this project possible.

Since the first factory of the R. J. Reynolds Tobacco Company was constructed here in 1875 by the determined and far-seeing Richard Joshua Reynolds, this fine company has played a major role in the industrial development of our state, especially in processing and distributing one of our most important and basic cash crops—tobacco.

Richard Joshua Reynolds was only twenty-four years of age when he set out from his father's Virginia farm on a fifty-mile trip by horseback that led to the founding of this great company whose products are known throughout the world for their excellence. His trip ended in the little community of Winston, North Carolina.

Mr. Reynolds' journey was made at a bleak and uncertain time when the South was struggling with reconstruction problems following the Civil War.

While still in his teens, young Dick Reynolds had also peddled "twist" chewing tobacco which he had helped his father raise and cure. He peddled the product by wagon over the old toll roads of southwest Virginia and into Tennessee and Kentucky. Money was scarce in those sections as the imprint of the Civil War still lingered as it did over the other southern states. Much of the selling was therefore done on a barter basis and the trading was shrewd. In that primitive school of salesmanship, where he often met tough competition face to face, young Reynolds learned early the value of having a superb-quality product. And he carried that concept with him when he later formed his own tobacco business here.

Much has been written and much has been said about the founder of the R. J. Reynolds Company, whose presence here has meant so much to Winston-Salem, to North Carolina, and to the thousands of people who, down through the past eighty-three years, have found employment with it, as well as to the farmers who grew the fine tobaccos used in the manufacture of its products.

I understand that the first building, located a few hundred yards from here, covered scarcely more ground than this room in which we are meeting.

By the time the business was observing its tenth anniversary, sales had mounted to about $200,000 a year. To obtain additional capital for expansions, the one-man ownership successively became a partnership and a corporation. In its present form, R. J. Reynolds Tobacco Company was incorporated in 1899. It then had only thirteen stockholders. Reynolds served as president until his death in 1918.

Sales of this company have increased steadily. In 1957 they went over $1,000,000,000. In contrast to the $7,500 the founder had to launch the business, the investment behind each regular employee's job now, I am told, is about $59,000.

North Carolina is very proud of Reynolds and the many other productive and progressive tobacco manufacturing companies located in our midst. Tobacco has played an important part in our state and national economy and in international trade since Colonial days. It has been closely associated with the settlement, growth, and development of our country and trade relations with other nations.

For example, in 1640 tobacco had become so important to the colony of Virginia that it was made legal tender and could be used to pay the preacher (16,000 pounds, in most cases, was the yearly amount), procure a wife (120 pounds was the going rate for transporting a maid from England), discharge taxes, or even to compel a tavern keeper "to exchange a dinner for a few pounds of tobacco." To falsify an official tobacco receipt could possibly result in a sentence of death.

Here in our state today our tobacco manufacturing plants provide employment for some 45,000 persons, resulting in payrolls of $296,000,000 and manufacturing tobacco products having a value of $1,709,000,000. Cash receipts to farmers for tobacco have now risen to over $500,000,000 a year. These statistics give you a good idea of the tremendous value of tobacco to the overall economy of North Carolina.

Reynolds is making a great investment currently in its new tobacco storage facilities, new cigarette factory, expansion of its aluminum foil business and new processing plant, representing a total commitment of approximately $50,000,000. These figures do not include this modern research laboratory we are dedicating here today.

The expansion program of the R. J. Reynolds Tobacco Company will mean a great deal to the economy of this area and the state. One major result will be increased tax receipts to help us pay for governmental services needed by all.

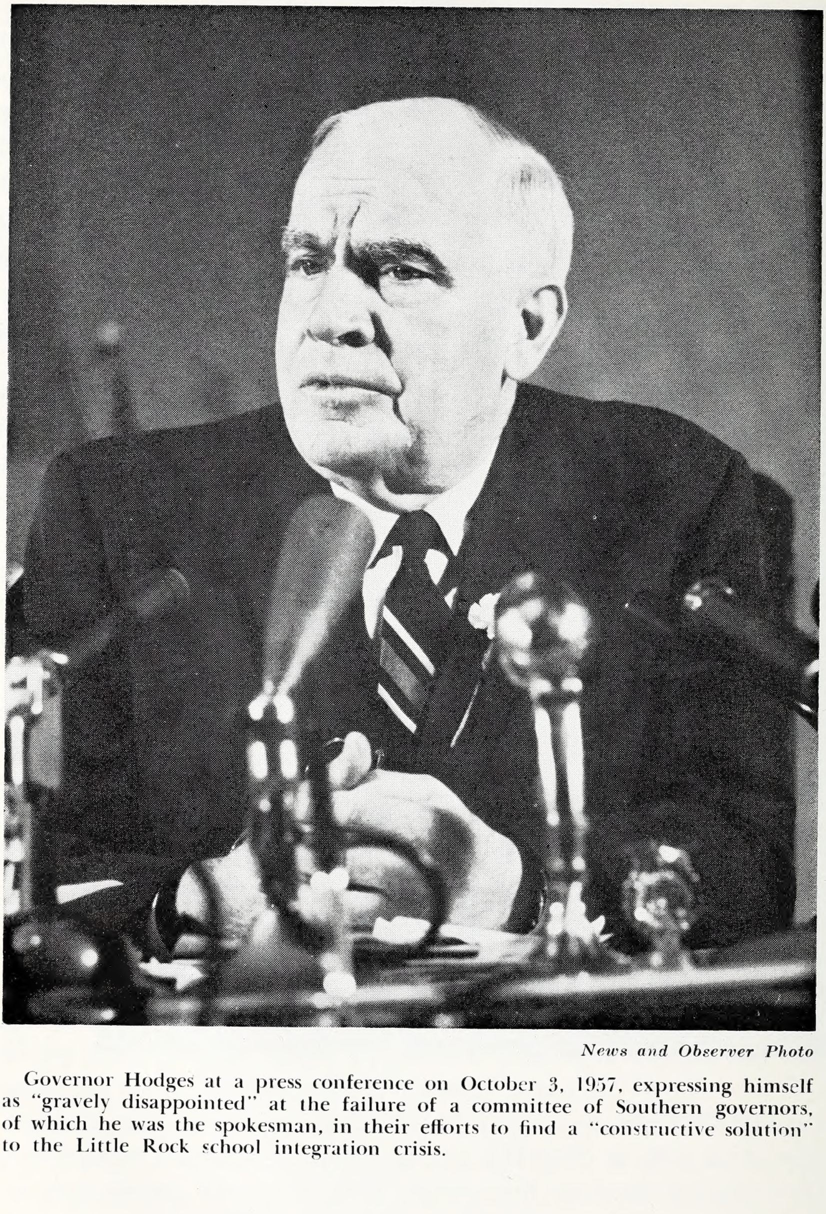
Purely as an illustration, our state tax officials have made an estimate that a $50,000,000 investment of this kind may reasonably expect to produce the following tax results:

On the assumption that these facilities in full operation will add $11,000,000 per year to the local payrolls, capacity operation of the new facilities should produce in corporate income tax and franchise tax to the state $545,000 each year.

Individual income tax increases of approximately $125,000 per year and an increase of approximately $110,000 in sales taxes may be anticipated. Thus, the total anticipated increase in state taxes may soon total $780,000 per year, or in ten years, nearly

Photo by Hugh Morton

Governor Hodges, Adlai E. Stevenson, and Mrs. Hodges at a University of North Carolina football game, Chapel Hill, September 28, 1957.



News and Observer Photo

Governor Hodges at a press conference on October 3, 1957, expressing himself as "gravely disappointed" at the failure of a committee of Southern governors, of which he was the spokesman, in their efforts to find a "constructive solution" to the Little Rock school integration crisis.

$8,000,000 to the state. Of course, some increase can also be expected in local tax revenues.

These estimates serve to give a clearer idea of what a new industry or the expansion of an existing one means to the economy of the area in which it is located and to the economy of the state as a whole. It also clearly demonstrates that a responsible firm like Reynolds feels that the state was fair in its recent change in the allocation formula. We note with great interest press reports two days ago indicating that our neighbor, South Carolina, has adopted the North Carolina formula for multi-state industries.

The expansion of its research laboratory by R. J. Reynolds Tobacco Company marks another milestone in the efforts of this company to keep abreast with the progress of our times. It also is typical of the continued growth of industrial research in the South.

We believe that North Carolina has much to offer in industrial research, and one of the latest advancements was the establishment of the Research Triangle about two years ago. This exciting project seeks to utilize the tremendous educational resources available in the relatively small geographical area bounded by the University at Chapel Hill, Duke University at Durham, and North Carolina State College at Raleigh. The three institutions involved have been most helpful and cooperative.

The establishment of a 4,000-acre research park in the center of the Triangle will be an essential step toward a fuller utilization of available scientific manpower and laboratories in the area and should lead toward the creation of new research facilities.

Already more than $7,000,000 is budgeted for organized research at these three institutions. Operational budgets and grants by government and industry are the sources of the funds. There are more than 850 research and scientific people at the three institutions. Combined library facilities total more than 2,000,000 volumes.

A number of companies have already shown an interest in the research park. In time, a new community will grow up within the park, and the entire area should experience an influx of research people and supporting personnel.

I feel that one of the most promising possibilities of industrial growth in our state is through the attraction of new research and development facilities. Workers in research and development constitute a high income group and will help directly in lifting both our income, educational, and cultural levels.

One of the most fruitful results to be anticipated through the development of new research and development facilities is the likelihood that new manufacturing enterprises will spring up as a result of the programs in the Research Triangle. For this reason, the project has tremendous potentials for direct benefits to the entire state.

Only in recent years have we recognized the value of research. Expenditures for research and development in the United States in 1956 were almost equal to the personal income of all North Carolinians combined. They amounted to about $1.00 out of each $59 of the personal income of all the citizens of the United States.

In dollars, the estimated cost of industrial research and development in the country in 1956 was around $5,500,000,000. The total personal income of the entire United States was about $324,200,000,000 for the same year.

Based on 1952 estimates of the U. S. Department of Labor, government furnishes about 60 per cent of the industrial research dollar; industry, 38 per cent; and colleges and universities, 2 per cent. The same source shows that industry actually performed 68 per cent of the research; government, 21 per cent, and colleges and universities, 11 per cent.

It is interesting to note that the largest expenditures in the research field in 1956 were in the machinery (including electrical), aircraft and parts, and chemicals and allied products fields. Other large spenders were the petroleum, fabricated metal products, and instrument companies. The largest growth in research spending during the next few years, as projects by these companies, will be in the field of primary metals, non-electrical machinery, and automobiles.

With applied technology at work at a greater pace, the significance of accelerated expenditures in the above fields might certainly be expected to be translated into new product development and greater capital expenditures for the manufacture of products of the laboratory and pilot plant.

Research has almost limitless purposes and applications. One that appears to be somewhat unusual appeared in a recent business publication under the heading of "Hair Curling Research".

Rear Admiral Hyman G. Rickover told a Congressional hearing on education:

> It may amuse you to know that the United States home-permanent-wave industry budgeted for research into ways of improving the looks of human hair a sum amounting to two cents per U. S. female. The whole nation, meanwhile, was spending only three cents per capita for research into the distressing things *that go inside* the human head.
>
> I do not, of course, contend that funds spent to improve the female coiffure are not worthwhile as I believe I can appreciate female pulchritude as well as any person. However, *the inner workings* of the human head appear to justify more exploration than they are currently receiving.

Research is leading the way toward a better way of life in our nation and in the world. It is contributing to spreading the span of life to the control of many of the diseases which were formerly scourges of the human race, to the relief of pain, and toward the enjoyment of life itself.

More specifically, research is being translated into more and better food, better living, clothing, and housing. It is helping to lift much of the drudgery from the shoulders of man. Many of the ordinary tasks of life can be performed quicker and with less physical effort.

One of the by-products of research is the creation of more leisure time and means of enjoying this leisure.

Science is steadily pushing back the frontiers of knowledge and translating its findings into products and services scarcely dreamed of a short time ago. While scientific progress has not only brought many new blessings to the human race, it has developed weapons of almost unimaginable force and destructive power.

Unfortunately, a race for power has developed between the free world and the forces of dictatorship, each striving to apply research to the creation of destructive forces having the potential of blotting out civilization and reducing nations to mere shambles.

The old expression of "shoot the moon" may not be so far from actual accomplishment. Scientists and researchers in various parts of the world now talk about projecting an object to the moon. The Air Force said last week it could reach the moon quickly. Recently, the people of the United States hailed the successful launching of a satellite into an orbit around the earth, thus off-setting some of the concern growing out of the success of the Russians in this field.

Fortunately, the same forces of nature which are being released for defense purposes have vast possibilities when applied to the benefit of mankind. Such uses are now receiving considerable attention in this country, and there is a strong prospect that much of the heat and power needed in our homes and factories may come from this source in the future.

Research is vital to industries. It is absolutely essential to industries wanting to progress and keep pace with the changing conditions of the times in which we live. Reynolds has maintained its leadership by its skill in utilizing the results of its research.

In our rapidly changing world, the successful businesses cannot overlook the need of research. Many of our newest manufactured items are wholly the product of the test tube, while improvements and refinements of others came about through research. A striking example of the products of research is seen in the numerous synthetic fibers.

Typical of a research which has paid off is the camera which takes and turns out a picture in one minute. Research on this project is reported to have started in the early 1940's.

In citing this instance, one of our leading trade papers pointed out that the manufacturing company had net sales of $1,500,000 in 1948 when the camera was introduced, but showed a loss of $865,000 for the year. By 1956, the firm reported sales of $34,500,000 and showed a net profit of $3,700,000. One of the company executives said the change was due almost solely to the new camera it had developed through a long period of research.

The same publication predicts that 80 per cent of the growth of the metal-working industry during the next three years will come from products not now being manufactured. Many companies report that from 50 to 75 per cent of their current sales are of products that did not exist fifteen years ago.

This procedure will probably be repeated within the next fifteen years with the tobacco industry as it pushes its research work. Who knows what is ahead in new tobacco products and new adaptations of old products? Who knows what entirely new uses may be found for tobacco in the future? Regardless of projected growth in cigarette consumption, there still may be dramatic new uses discovered for this golden leaf of ours. All segments, including agriculture, government, and industry, should work along these lines. This is a great challenge!

In this connection, I should like to point out that all segments of the tobacco industry, from the tenant grower to the largest manufacturer, should cooperate on tobacco problems. There is much to be gained for everyone in the tobacco industry if we all work together to grow, process, advertise, and sell the kind of tobacco products that consumers want. To do this requires a close-working relationship between all segments of the industry. It is very important that the manufacturers, wherever possible, keep the growers advised on trends and developments in research and marketing so that the growers will have ample opportunity to produce the *right kind* of leaf at the *right time*. And our tobacco farmers must accept responsibility to grow the right kind of tobacco, and realize that they are in world competition for the consumer market, and that total dependence on the federal government is risky business.

Since 1945, it is estimated that research has grown at the rate of about 14 per cent annually, or more than three times as fast as industrial production. Over this period, outlays for research and development in the United States add up to about $46,700,000,000. This in twelve short years was more than was spent in the previous 169 years of the history of the country.

Specific figures for measuring the growth of research and development in the thirteen southern states are rather scarce. However, it is apparent that its scope was definitely limited until recent years. For instance, in 1927, the industrial research personnel in the nine southeastern states constituted only seven-tenths of one per cent of the national total, and in 1950, the research personnel in these same states amounted to only 2.2 per cent of the national total. In 1955, the total of the percentage remained about the same.

For many years, research and development tended to be centered in the states east of the Mississippi and north of the Ohio rivers. That section had 91.4 per cent of the industrial research personnel of the country in 1927; 89.2 per cent in 1938; and 81.5 per cent in 1950.

In a monograph entitled *Research in Southern Regional Development,* published for the Southern Association of Science and Industry in 1948, Edith Webb Williams wrote:

> Compared with other parts of the country, the South has few research resources. Such a comparison is relevant because natural resources have been used more effectively in other parts of the country to satisfy the wants of the people. The lack of comparable development of scientific knowledge and techniques in the South is closely related to its lower level of living. The fact that other regions have made better use of their natural resources is an index both of past southern failures and present southern opportunities.

In the ten years since 1948 when Mrs. Williams wrote so bluntly about the South's serious shortcomings in the field of research, we in the South have come a long way in seeking to overcome this serious defect in our over-all plans for our development.

We cannot afford to relax our efforts to develop and expand our research. We are faced here in the South and in our own North Carolina with a shortage of trained manpower to conduct and direct research programs. There are predictions of a still further gap in the future. Educators are expressing concern over the shortage of high school science teachers and a lack of interest among students. Among the brightest high school students, less than half go to college and many would like to enter are turned down for lack of adequate preparation. Thus, our future supply of scientists may be said to be drying up at the source unless we can remedy these conditions.

Periodically, the National Research Council issues a directory of industrial laboratories which, in addition to listing laboratories, also gives information on the personnel engaged.

The 1938 directory showed only forty-nine industrial research workers in North Carolina. According to the 1950 directory, the number had increased to 698 or about fourteen times the number in 1938. By 1955, the total research personnel in the state had reached 1,018, an increase of 46 per cent over 1950. Since the 1938 base was very small, the growth of industrial research and development personnel between that year and 1955 shows up in a tremendous surge of almost 2,000 per cent.

Except for the fact that extensive industrial research was almost non-existent a few years ago in North Carolina, the rate of growth would not seem to be too good. Our record does not look good between the latest comparative years of 1950 and 1955 when personnel engaged in industrial research increased nationally from 165,032 to 294,175 or by about 79 per cent, while North Carolina's rate of growth was only 46 per cent, but we are improving and today's dedication is a clear indication.

Progress generated from research or any other source is not without its problems. Man's increasing mastery over matter poses numerous questions which must be solved before the human race can enjoy fully the fruits of its own labor.

As you are well aware and as had been touched upon previously in this talk, a considerable part of current research is for defense purposes. As a result of this program, weapons of almost indescribably destructive forces are being created. The world has become divided into two camps, each striving to outdo the other in devising instruments of destruction. It is a race of armaments which must be checked at some stage lest we face disaster in the future.

If the world is to make real progress, the new developments made possible by the application of science must be turned to the peace-time service of mankind and into articles and services which will raise the level of living of our people and those of other nations.

One often hears the statement that half the population of the world goes to bed hungry every night. If we accept this statement as a fact—and there is much evidence to justify it—we still have a long way to go in making the world a better place in which to live and incidentally a broad field for the application of the fruits of progress.

On the domestic scene, we also face problems growing out of progress. Labor-saving devices have made it possible to produce more abundantly in shorter working hours. The net result has been a steady increase in leisure time. We must learn to apply these leisure hours constructively and to the best interests of the individual and society. If this is not done, a potential blessing may become a social problem of great magnitude. The possibilities of wholesome use of leisure in building up the cultural, physical, social, and spiritual aspects of life are almost limitless.

It is my hope that more people will use some of their leisure time for public service at local or state level. I want to see people offering for office at all levels who are ambitious to improve their government and its service to our 4,500,000 citizens.

In closing, may I say that we in North Carolina have much to offer in the field of industrial research—"The Key to a Prosperous Future". We must tell our story to the nation and to the world and demonstrate our faith and confidence in ourselves by leading the way, as Reynolds has done, in our respective fields of activity. We have standards of excellence in our colleges and universities equal to any in America, and we must use these great resources to further the education of our youth and the economic welfare of our people.

Industrial research is definitely looking South. We in North Carolina must do everything possible to get our share of any research facilities and to encourage the proper growth of research in agriculture, industry, etc. I have great faith in our ability to keep pace with the demands of the future.

May I again congratulate the Reynolds organization, the people, and officials in Winston-Salem and Forsyth and adjoining counties for your spirit of cooperation and progress. The state is proud to see a community and a region make progress. It helps all of us.

Thank you!

ADDRESS AT A SOUTHERN REGIONAL CONFERENCE ON HIGHER EDUCATION

ATHENS, GEORGIA
March 6, 1958

[The Southern Regional Education Board had its origin in an inter-state compact designed to provide a plan whereby Negro students from one state might attend graduate and professional schools in another state when such facilities were not available to them in their home state. The plan was later expanded to embrace both white and Negro students. As chairman of the board in 1958, Governor Hodges attended and addressed meetings held by the board or sponsored by it in Athens, Georgia, on March 6; at Louisville, Kentucky, on July 19; at Charleston, South Carolina, on August 21; and at Lexington, Kentucky, on September 22 (See pp. 428-442 for the Charleston speech and pp. 520-521 and 526 for summaries of the Louisville and Lexington speeches). The conference at Athens, Georgia, was sponsored jointly by the Southern Regional Education Board and the Association of Governing Boards of State Universities and Allied Institutions.]

Governor Vandiver, and Distinguished Citizens:

As chairman of the Southern Regional Education Board, I am happy indeed to welcome each of you to this conference, which is sponsored by the Southern Regional Education Board and the Association of Governing Boards of State Universities and Allied Institutions, and may I sincerely thank each of you for coming.

As governor of North Carolina, I express my sincere pleasure for the privilege of visiting again in the great and vigorous state of Georgia, and express my admiration for this vital and productive center of higher education here in Athens.

As a citizen, I share with each of you a deep interest and concern for the cause of higher education in each of our states.

The Southern Regional Education Board, as many of you know, was brought into being by an interstate compact, first approved by ten states, and now sustained and supported by sixteen states in the southern region. The Southern Governors' Conference in 1947 took the first official action to study the regional approach in higher education, and in 1949 the interstate compact came into official being.

We are now in the tenth year of service through this regional organization. Our regional approach has been emulated in several other areas of our nation.

Quite naturally, from the beginning much of the emphasis and active participation in this regional approach has come from the public-supported institutions of higher learning. Yet, we know that the full potentialities of regional cooperation in higher education can only be achieved when private as well as public institutions of learning come together and share with each other, across state boundaries, their common aspirations and their common problems.

At the last annual meeting of SREB, in September, 1957, provision was made for appointment of an Educational Plans and Policies Advisory Committee. One of the major purposes of this step was to provide a means of encouragement for greater representation and participation by private institutions.

This conference today, including distinguished representatives from the governing boards and the administrations of private and public institutions of higher learning, is simply one further tangible evidence and effort on the part of SREB, and on your part as well, to achieve more fully the benefits of regional consultation and cooperation.

Let me speak to you briefly about some of the facts of life in higher education, particularly in the South—which is the area with which we are most concerned at the moment. These facts represent both problems and opportunities, both achievements and failures.

First, I want to express my opinion that this nation has built a system of higher education which has no equal in the world. In no other nation can we find the scope, variety, and extent of higher education that we have in the United States. Nowhere else has higher education been made so easily available to so many students, and nowhere else have so many students responded as enthusiastically to the educational opportunities available to them.

In this nation today, approximately one out of every three young men and women of college age attends some college. (Fifty years ago, it was only one in twenty-four!) We also know that difficult though the financial barrier is to countless students or potential college students, there are also countless opportunities through organized self-help work, scholarships, and student loan funds, which enable the intelligent and energetic student to get a college education. This fact must be everlastingly emphasized.

For our nation as a whole, this picture to me represents a magnificent achievement.

Yet, if we face the facts, we can see serious problems in higher education. We can see the challenge of present need. And we can realize that the light of achievement is not so bright as to blot out the realities of present shortcomings and past mistakes.

At a state-wide conference on higher education in my own state of North Carolina, in April, 1956, which included a large number of representatives from both private and public institutions, I frankly said that we must face up to the need for greater expenditures on education, for more funds from private and public sources. Further, that I did not think that money alone can solve all our problems. The task before us will require effort—sacrificial effort—ideals, hard work, and dedication. Such things are not purchased with money.

I also said that we need to recognize some other hard facts of academic life, and at least ask ourselves some searching questions.

Do our educational institutions, our accrediting bodies, our professional associations sometimes tend to become ends in themselves, rather than dedicated means toward worthy ends?

Is it possible that sometimes a college president, or a faculty, or a governing board thinks in terms of his or its own narrow interest of the moment?

Have we not, perhaps, been rather quick to tinker with the curriculum, dilute it, and give excessive play to pampering trends and experiments?

Have we yielded at times to the temptation to make things easy for students, and assumed that "going to college" automatically means "getting an education"?

Has schooling often become the socially acceptable thing to do and a means of piling up an assortment of "credits" which, by definition rather than by test, place the holders in preferred classifications?

Have we given the impression that everything which anyone should or might want to learn must find itself described in a catalog and be taught by someone in a classroom? Have we exalted tests of aptitude and ignored or resented tests of achievement?

In some respects, has our educational system in this nation, at all levels, become honeycombed with vested interests competing for jurisdiction, for funds, for prestige?

Is it possible that we as parents have often been satisfied to send our boys and girls to college without really knowing why—or without checking on what they accomplished when they got there?

Is it not true that in a nation which for years has spent far greater sums on education than any other country, we find ourselves a nation lacking in understanding and use of languages of other nations—at a time when understanding of other nations is imperative?

And today, is it not true that for all of our technology and high standard of living, we find that we are, to a most disturbing extent, lacking in the potential—or intellectual capital investment—that is necessary to sustain and develop our nation in basic sciences so that we are not outstripped, outthought, and outdone in the competition with that segment of the world's population which is under a disciplined and ruthless dictatorship?

I ask these questions not because I think I have the pat answers to them, or the pat solutions to the problems suggested. I ask them as a means of helping us to face up to some of the facts of academic life that I mentioned.

Of course, we know that one of the big problems in higher education which we face in the years just ahead is the problem of adequate financial resources. In the very near future, the prognosticators tell us, we shall have sharp increases in the number of college students. In 1958, the colleges and universities of the nation have enrolled approximately 3,000,000 students. We are told that by 1970, this will be close to 6,000,000.

It has been suggested by some that we should deliberately, by admission policies, exclude a greater and greater proportion of students who may want higher education so that we can keep demands for financial support within manageable proportions. Others have urged that we can shorten the length of college training and thereby reduce the per-student cost. Others suggest expansion of college facilities close to students' homes so that much of the capital investment for dormitories and dining halls could be eliminated. I do not say there is no merit in any of these suggestions because each of them deserves consideration, but I doubt that any one, or all of them together, however, offers a total solution.

I don't think we are going to shut the doors of the colleges and universities to qualified students. As we have so often in our history, we shall meet the challenge by greater and more intelligent effort and sacrifice. We shall find the means of making available college and university education to those who want and need it, and can benefit themselves and society by having such education. Personal ambition and willingness to sacrifice on the part of the students themselves will always, I hope, play a vital and active part in our educational progress. The same standards of sacrifice and effort also apply to us as parents.

We in the South will feel the problem of increased enrollment and increased need for higher education facilities with a special urgency. In the race for accomplishment, our region is starting from farther back than most of the other regions of the nation. And may I say to all of you in the South, as I say to my fellow citizens regularly in North Carolina, we must spend in this region more money for education than we can afford.

Although nation-wide, one out of three college-age persons is now in college, here in the South it is only one out of four.

We lack the great universities supported by private funds which are found in the East. In our case, the burden falls more heavily on publicly supported universities than it does in the North and East. And this sometimes affects what we pay our college professors and administrators. We must increase their dignity and their pay.

Our professional and gradaute schools have made tremendous strides in recent decades, but comparatively they are not yet of sufficient size or sufficient quality or reputation to retain many of our best students or to draw students from other regions in substantial numbers. But they are constantly improving and our compact will aid in this field.

The rapid industrialization of the Southland has brought the complexity of urban life and applied science. The mastery of that complexity requires a graduate and professional training.

How can the South, as one-third of the nation, manage to make the highest contribution of which it is capable in the field of higher education? There are no easy solutions, but we can move in right directions.

First, we need to find more funds, from both private and public sources, for our colleges and universities. Much of this must be public funds, because—as I have said—our region is more nearly dependent upon the publicly supported institutions of higher education than are some other regions. Education will have to compete for public funds, and for private funds as well.

Fortunately, personal income in the South is rising. By 1970, so it is estimated, personal income in the South will come close to equalling the national average, against about two-thirds at the present.

Second, we must plan higher education with as much precision as we are capable of exercising. Such planning cannot be absolutely precise. No one can fully anticipate the influences which will impinge upon our region fifteen years from now. But we can do much more than we are now doing in planning higher education. Many of our states have conducted state surveys in higher education in recent years, and their decisions have been guided accordingly. Through SREB and other organizations, we have begun also to look at the region, considering it an area for educational planning. The late Dr. Howard W. Odum of the University of North Carolina pointed out that the state was often too small an area for planning and the nation often too big. This concept is especially applicable to higher education.

Third, we can plan and act together throughout the region, from Delaware to Texas, from Oklahoma to Florida. The demands which the inevitable expansion of higher education will place on each state seem overwhelming. I am sure that we can meet them, but I also know that we shall need every bit of ingenuity and every ounce of consecrated effort in order to do this. We cannot afford to do just what we have been doing and hope for the best. We must do whatever we can to make sure that the best that can happen will happen.

This may mean that our states, each according to its own problems, will need greater coordination of its state-supported colleges to see that precious tax money is not wasted in duplication and inefficiency. In private and church-related colleges of the state, an equal but voluntary cooperation is desired. We in this good region of America can ill afford to throw away a single dollar.

We must not overlook the fact that our elementary and high schools, both public and private, form the base of whatever progress we will make in higher education. Adequate teacher pay, adequate classroom facilities, and a sound curriculum are critical needs at this level of our educational system. Those of you who are directly involved and directly concerned with higher education will, I am sure, understand these problems, and are exercising your full influence for the continued improvement of our public schools.

In your detailed discussions at this conference, I hope you will find a real benefit, in terms of your own problems and needs, from this regional sharing of experiences and views. I believe that you will. Again, may I thank you for being here and for your participation.

ADDRESS AT THE OPENING OF THE CAROLINA SYMPOSIUM ON PUBLIC AFFAIRS

CHAPEL HILL
March 16, 1958

[The tenth Carolina Symposium on Public Affairs, held at the University of North Carolina during the week of March 16-21, 1958, had as its theme "The Dimensions of Survival: American Culture and World Focus." Its slate of speakers included forty or more leaders in the fields of education, religion, politics, and military affairs. Governor Hodges keynoted the program by outlining the many ways in which North Carolina was bettering and could better its chances of survival.]

May I welcome all of you here tonight and especially may I welcome, in the name of the state as governor, and in the name of the University Trustees as chairman of the board, all our distinguished guests from outside North Carolina. We are happy to have you and deeply appreciate the honor you have shown us by coming. To those of you who are participating actively in this program, in any way, we want to thank you warmly for your interest and your help.

Tonight we are opening the tenth Carolina Symposium on Public Affairs, which represents the culmination of an idea, born many years ago, for arranging a periodical appraisal of outstanding problems in society—an appraisal and an analysis with sufficient scope and depth to "capture the attention and thought of the entire campus." As most of you know, this series of programs began here at Chapel Hill in 1927 as the first Institute of Human Relations, with the University YMCA taking the leadership in the early planning. We now begin, thirty-one years later, the tenth such meeting, now under the title of the Carolina Symposium. Within the next five days, over 200 meetings—in classrooms, seminars, and public halls—will dominate the activities on this beautiful campus. Forty-two speakers from beyond the campus of the University will join thirty members of the local faculty to provide expert leadership in a variety of fields. The press, television, and radio will serve effectively in expanding the reach of these meetings beyond the actual participants.

On this tenth anniversary, it is most appropriate for us to express our appreciation for the excellent leadership and guidance provided by our visiting speakers, faculty members, students, and the University administration which has cooperated so actively with each symposium. I shall not attempt to review past programs or past topics, except to say that these meetings have always managed successfully to focus attention on the topics most timely in the minds of North Carolinians and Americans at the time.

This symposium can be described best by one ominous word: *survival.* During this symposium week "The Dimensions of Survival: American Culture and World Focus" will be examined and probed in all its possibilities, including physical survival, cultural survival, and American values in crisis.

Let me read you this paragraph: "The science of warfare now has a new area to deal with—push button warfare. Now it is possible to destroy a city by just pushing a button that would launch a bomb-carrying pilotless aircraft. This aircraft would have a nuclear warhead. In the future, our country's security may depend greatly on pilotless aircraft of this type."

A few years ago you could have assumed this paragraph came from *Science Fiction* or the Sunday tabloid section of some newspaper. Actually, I just read the opening paragraph of a new Navy

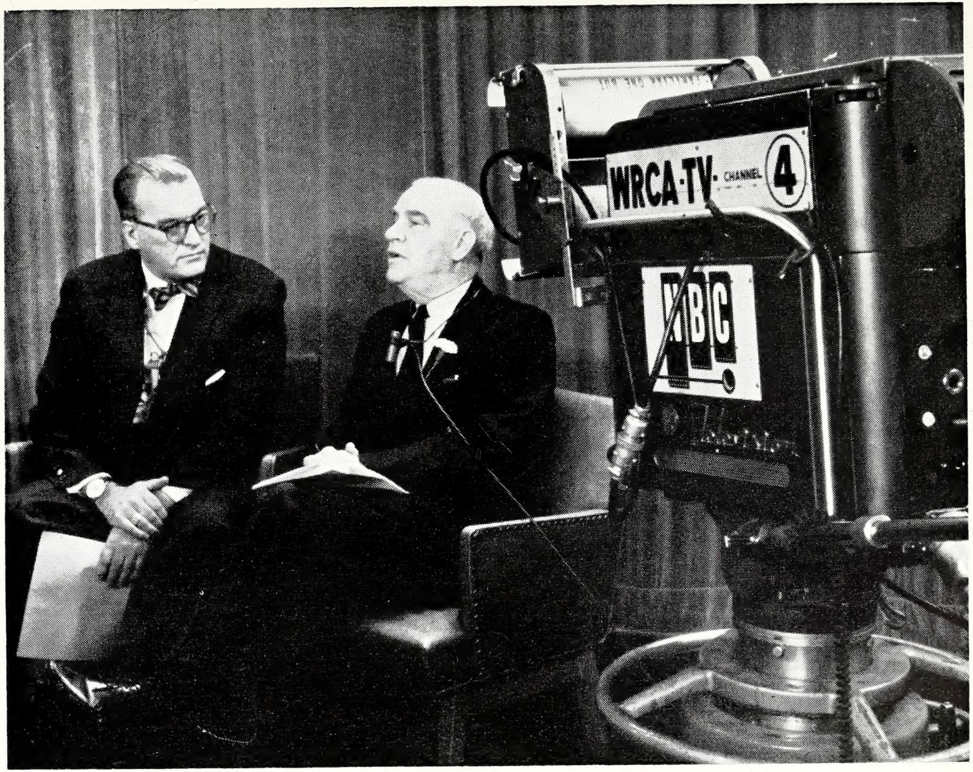

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Photo by Hugh Morton

Governor Hodges with Dave Garroway on television during the Governor's industry-hunting visit to New York, October 14, 1957.

Photo by Hugh Morton

Governor Hodges and Clifton Daniel, *New York Times* correspondent, formerly of Zebulon, North Carolina, in New York, October 14, 1957.

manual on guided missile fundamentals which is being used for training purposes with enlisted men and naval officers throughout the fleet. Perhaps this is symbolic of the tremendous transition which we have undergone in a few short years from the old-fashioned warfare of guns, tanks, battleships, and piloted aircraft, to deadly missiles from outer space capable of indescribable destruction.

It seems only a very few years ago when we were celebrating a great victory over totalitarian forces. Peace had been won at a very high and bloody cost. We looked to the future with confidence because we held unquestioned leadership in military technology. In less than a decade, the pendulum has swung to such an extent that we in America are now tensely concerned with survival.

Some time ago Adlai Stevenson told this story about a wagon train crossing the prairies during the early days of the West. It seems the wagon train was attacked by hostile Indians. When word reached the nearest army post concerning the attack, the troopers galloped out to the rescue only to find the wagon train destroyed and burning, the Indians vanished with their booty, and apparently no survivors of the raid. Then one of the troopers found an old man still alive and conscious, with an arrow in his chest. The trooper gently raised the old man's head and asked him: "Old timer, tell me . . . does it hurt bad?" The old man looked up and replied: "No, not bad . . . only when I laugh."

Perhaps this represents, in a light vein, one approach to this question of human survival. In any event, I am very gratified to see, in this era of global crisis, that the University continues to examine, with a vigor which increases with its years of service, the vital issues of our time. The University has long been recognized for its leadership, not only in North Carolina and the South but throughout the United States and the world. While speaking at the University of Georgia recently, I heard the president of that university, Dr. Aderhold, point out that Georgia was the first state in the Union to take out a charter for a state university. He hastened to point out, however, that North Carolina, which followed Georgia in taking out its charter, characteristically went ahead and did something about it, and opened the doors of our University to students in October, 1793.

Dr. Aderhold was kind enough to say that the University of North Carolina had shown that kind of leadership and action, not only in those early days prior to the beginning of the nineteenth century, but in this vibrant twentieth century. We are pleased that among the thirty-five or so universities and colleges in North America that are members of the Association of American Universities, the University of North Carolina at Chapel Hill and its fine neighbor, Duke University at Durham, are members of this top-ranking fraternity. An institution of higher learning does not gain membership in that select group without having standing born of dedicated service; without having leadership demonstrated through many decades; without having vision which today shines brighter than ever before.

In many places and at many times, both here and abroad, I have been asked the question, "Why is it that North Carolina, a comparatively poor state in material things, still has taken the lead in so many ways in education, in social services, in statecraft." My answer has always been, "I do not know that I have all the reasons to give you, but it is my feeling that for the last thirty to forty years the University of North Carolina has been responsible for much of our leadership and has trained and inspired many of the people who became the leaders of the state in all its many aspects of life." I hope I am right in that judgment and I feel that I am.

The University has responded to the loyal support of the state and its people. It has kindled many flames. From time to time the flame has not been as bright as we would have liked it because wintry winds of criticism, of inaction and other things have dulled the brightness of this flame, but not for long. It has too much in the way of spirit and character, born of travail, of adversity, of trial, and of success, to hold it down for long. The kind of thing that you see here tonight is the kind of thing that is happening on this campus regularly. The students here are imbued with the idea of talking things over, debating great issues, looking at themselves critically, looking ahead constantly. The same is true of the faculty and administration and I hope the same is true of the state itself, with its eight other state supported colleges and a co-ordinating Board of Higher Education.

The University, in its leadership through the years, has instilled pride in all of us, whether we be graduates of any one of its three branches, whether we are citizens of the state, graduates of private or church-related colleges, or of some other state-supported college.

The University has left its imprint on every facet of North Carolina. It has constantly said we should have a strong program of public education, good public schools, schools of higher education, graduate schools, schools of distinction. It has said we must have freedom on the campus and in the hearts and minds of its faculty. We must have research and must work at it. The people who do the research, who do the teaching, must have freedom, academic freedom—not freedom to talk about, but freedom to act—must have an atmosphere in which to work without being harassed. Such freedom, given willingly, well deserved, has responded with a sense of responsibility on the part of the University faculty, its administration, and its students and has attracted foundations—private, industrial, and governmental—and these foundations have voluntarily made grants of sizeable sums to the various schools of the University as well as to individual faculty members for further research, further study, further help in moving forward in helping to solve the nation's problems.

The same kind of spirit has caused the state to move forward in health activities, organizing one of the first state health boards in the nation, which now ranks as one of the half-dozen best departments in the nation. It has stimulated rapid and encouraging strides in the last decade in the handling of our mentally sick. The mental hospitals of North Carolina are no longer custodial barns, but are modern and scientific institutions working to liberate the human mind from its illness and return the patients back to their loved ones and to society.

It could have been otherwise, but it so happened that the man who has led the fight for the last decade or more for a more modern approach to mental illness and the state's responsibility in providing humane, healing treatment was graduated from this institution at Chapel Hill, is one of its most active and loyal alumni, and lives here in this lovely community.

With outstanding leadership and the active support of our people, North Carolina has not hesitated to move ahead in attempting to solve its own problems, despite a low income and serious problems on all sides. During the days of the Great Depression, the state was forced to take over all of our public schools, meet the obligations of our municipalities, and set minimum standards for our schools, including length of term, months of teaching, years of schooling, and requirements for teachers. The state has set an example for its various school districts, and there is an increasing amount of cooperation now demonstrated.

In the face of economic adversity, the state was also forced to take over all public roads and highways. We are maintaining our leadership in this field by putting all of the 70,000 miles of public roads in this state on an efficient service basis so that all parts of the state will be able to have roads (so far as the state is able) that are of equal quality, equal service, and not dependent on political whims of county political factions or individuals. Under the present highway reorganization which carries out the philosophy of service to all the people, extremely intelligent planning is being done on a long-range basis to take care of the needs of our people in the 100 counties and through the inter-state primary and secondary highways and rural farm-to-market roads, which are among the best in the nation. In this regard, perhaps the description "farm-to-market" should be expanded to mean also "farm-to-market-and-job." These secondary roads provide us with an excellent transportation system by which many of our rural people can get to and from jobs in our expanding industrial economy.

North Carolina is trying its level best to give to its people the greatest service of government in all levels for the smallest amount of money. This is true in schools, in highways, in mental hospitals, and other such vital activities.

I could not attempt to evaluate the many contributions made by our University without mentioning the work of the Institute of Government. This one branch of the University has had a terrific impact on all levels of government, from the justice of the peace, constable, tax collector, jailor, through the county levels of government and into state government and the governor's office. It all began when a graduate of the University who was teaching here became convinced that every office holder in every county should have an opportunity to learn what his duties were under the law and what should be expected of him as a public servant and official. This man, inspired by the zeal and enthusiasm of a president here forty years ago, set out to develop an institute which would make certain that the lowliest office holder in the poorest of the 100 counties would know as much as those who served in the richest counties.

The record of service made by the Institute of Government is characteristic of how we in North Carolina seek to do a better job in serving our state and its people.

The problem of survival involves all of us, whether we like it or not. We can all live together or die together. Survival is not a responsibility that we can shrug off as something belonging to the President, the Congress, the State Department, the armed forces, or the civil defense organization. There is much more involved! If we are to survive, every man, woman, and child in North Carolina and America must contribute as best he or she can to the ultimate success of our national security and national survival. It is my feeling that, if we are to have a survival that is worth fighting for, worth working for, worth living for; then it must be done in the simplest ways of the individual and in the most ordinary places and by all of us wherever we may be.

As governor of this state, I am naturally concerned with survival here in The Old North State, with its four and a half million population and expanding needs and growth. We must have a clear eye, steady hands, and a determined heart if North Carolina is to take its place in service to the people and in the ranks of the great states that make up this nation. The basic responsibilities of life have never been easy, and progress, in whatever activity, has always been purchased with hard work, self-sacrifice, and unselfish service for others. It is especially important that our young people gain this insight as quickly as possible.

We can survive in North Carolina and meet the heavy responsibilities facing our state if our leaders in our communities, counties, and our state are willing to speak out firmly on what is required of all of us to overcome our local, state, and national problems. We can survive if we are willing to put the welfare of the nation above self, above political advantage, and if we are willing to concentrate on what is good for all the people rather than what we can get out of the situation right now. To do these things will cause our leaders to risk their popularity, a precious and highly prized commodity in the high-pressure society in which we live.

Yet I am convinced that if we are willing to do all of these things, we will survive, we will live.

A while ago I spoke about education and how this University has always insisted on our having the best we could afford and doing even more than we could afford, because who *knows* what comes first, the proverbial chicken or the egg? This means in North Carolina *which* comes first, economic means or education? We feel in North Carolina that education must come first if we are to have economic means. I am proud to say that now in North Carolina we are taking a look at our whole educational system. We are studying our finance—how can all of us best help and finance our schools, how can we best work together, state, county, and individual citizens.

We are looking also at our curriculum. Just within the past week it has been announced that a staff director has been selected to help make a careful study of our entire public school curriculum, our methods of teaching, the contents of our courses, the goals that we have, the directions in which we are going. All of these are encouraging signs. The state is interested in higher education, in its colleges, in its fifty or more colleges, both state-supported and private or church-related colleges. Our institutions of higher learning are cooperating; they are co-ordinating, and they are looking together at the total problem and assisting each other.

It was my privilege just a week ago here to see the final selection of thirty-four Morehead scholars. Each of these boys received from Mr. John M. Morehead, of this state, and a close personal friend of mine, a scholarship worth $5,000 for four years of training. These great scholarships are based on character, training, outlook, scholastic attainments, and are not based on economic needs of the individual student. They bring into the University the richness of character represented by these young men and reassure us that the flame of this University will be brighter by far a hundred years from now than anyone of us can possibly imagine.

All can't get Morehead scholarships but most can go to college. I must agree with Dr. Edwin G. Boring, chairman of the Advisory Board on Education of the National Academy of Sciences, when he said recently that he just did not believe that there are 150,000 boys and girls who want to go to college, but who cannot afford to go. Admitting that there are that many who do not have the ready money and whose parents cannot sign the check for that first year, much less four years, I believe there are great opportunities for all students who are qualified from a scholastic standpoint to enter college. It is certainly easier to get financial assistance now than when I came to college forty years ago. But even then it was not too difficult, and today it is very easy to get a college education, if the student is really willing and ambitious. Student loan funds, although not existing in every local college, are very large as a whole and many times are so unused as to be frightening. The scholarships are almost countless in number, and the federal government is now planning to suggest tens of thousands more per year under the recent "crash idea" of the present national administration.

Can one get a scholarship? Can one get help? Ask Mr. Hilarius Boniface NG'Weno of Nairobi, Kenya, Africa, and he will tell you. This ambitious young African, wanting to come to the United States to study but having no money, wrote to the United States Information Service inquiring if there were scholarships or loan funds. Among the many others that he heard from was the Brotherhood of Sleeping Car Porters, the Institute of Afro-American Affairs, and the United States government itself. With the help of all three, not to mention many others that would have liked to have helped, this young man is in an American university and making a B plus average.

The amount of scholarships and fellowships available for the students in universities of this country has risen from $27,000,000 in 1951 to $65,000,000 in 1957. In the last ten days newspapers carried the story of one good student near New York who had $27,000 worth of scholarship offered him. In one school in New York City, in a class of 700, over 400 had voluntary offers of financial aid.

All of this is good. All of this can mean that we are going to do things, great things in education, in this country and in North Carolina. I hope that it means that more and more people will emulate Mr. John Motley Morehead, Mr. Aubrey Lee Brooks, and others who have made scholarships available to the University and its various branches, and for many others such as the

Kenans, who have enrichened our professorships by making larger salaries available.

I want North Carolina to keep leading, and I want it to keep the people informed on what it is doing as well as what it is failing to do. I want to see this University continue its leadership in this state. In recent months we have been thrilled by the development of a great Research Triangle program for this area, bounded by this University, Duke University at Durham, and State College at Raleigh. Plans are in progress for putting together 4,000 to 5,000 acres of land, properly lay it out for the future with the idea that within the next twenty-five years there may be 20,000 to 25,000 scientists, engineers, and others in this area; and they will have come here to start with because the universities in this territory have people on their faculties and in their administrations who are interested in progress and planning for the future and who see the world which needs problems solved, needs its scientists, statisticians, its leaders in social work.

As a part of this development in the Research Triangle, many of us are very hopeful that we will develop a research institute, manned by leading and qualified scientists, people who will find new ways of survival, new things which will make survival more pleasant and will unlock many doors that now seem too tightly closed. These will be scientists who will reach out and say to the rest of this region and the country that we believe in survival, we believe in keeping up with all the advances in science and other fields, and that we believe in a climate of opinion and a climate of planning which touches our life at all levels. Such a climate could move a farmer, be he tenant or small independent owner, to the point where he will say, "I must do more than raise two acres of price-supported tobacco and give my labor for a period of months for such a pittance per hour. I must have a better, more diversified farm. I must raise my own food, my own cattle, my own pigs, my own fruits and vegetables. I must have a good home in which my children will be raised. I must take part in my community. I must see that I have the best of schools, the best of hospitals, the best of health. I must survive and with me will be my family, my children and their children."

This looking ahead and planning on the part of this University and this state will affect the worker, whether he is a mill worker or a worker in the mines. He will be influenced to look to greater skills for himself so that he may be ready for those diversified and higher-skilled and higher-wage industries that are coming to this state and are coming in increasing numbers. We must inspire these workers to have not only an attitude of cooperative labor, but also to have skill of mind and hands to meet the needs of these newer revolutionary technical industries which will be needed for survival.

This looking ahead, this planing will inspire our school people, our teachers, to be modern without forgetting old fundamentals, to teach new things, at the same time keeping their faith in old institutions, to inspire their students to look ahead for greater fields to conquer, never forgetting a few fundamentals of character which they will need if they are to live and live well. Our city and county officials and administrators will be the beneficiaries of this leadership and of this planning. They will see that towns and highways must be clean, must be planned, must be zoned properly. They must all look ahead. If people are to be influenced to come here from other parts of the country and help make this a greater state, we must plan both on a local and county, regional and state basis. We must provide accommodations for those who come to live with us, and there must be the best in schools, parks, art museums, music and other things that we sometime either take for granted or don't take at all. We must provide places to live, not only for the person who is to be here permanently, but also for the visitor, the tourists who are coming in ever-increasing numbers until now they represent our second largest industry amounting to over $300,000,000 a year. We must provide clean lodging and good food. These are just simply facts of life.

We in government have much to learn. In the long run, people want and will support good people in public office. While we all recognize the importance of political parties, more and more people seem to be thinking in terms of personalities, programs, plans, and policies rather than parties. Our political parties, our platforms, and our political leaders must think more in terms of service of the highest order. We must get more and more people of vision and courage to offer their services to government and to politics—the art of government. Can our political parties survive? Yes, of course, if they stress honesty, integrity, and genuine interest in the public good. We must have candidates, good candidates, not those who would play farm against town, the city worker against the farm worker, and one race against another race, but men and women capable of providing good administration of state and county and city governments. People deserve, need, and will pay for good government if they understand what is being done and if they feel that it is being done with honesty and dignity.

Above all, survival requires that we live and work together as individuals, groups, states, and nations. It demands the utmost in human understanding in every phase of our life—economic activity, government, politics, social work, education, and religion.

I hope that as we do our part in our own localities and in the state of North Carolina, we will not only do service ourselves but encourage others to do likewise. Take part in helping this nation to assume its rightful place as a positive leader in the world. Let's help and urge our nation to accept the challenge of leadership for a world that needs it so badly. As we see from day to day millions of people in this world who do not eat well, who are not clothed well and who have no hope for the future, surely we can use our great talents and skills in building a nation, a world, and a civilization of which we can all be proud.

Recent developments including dramatic launchings of Sputniks, Explorers, etc., should not discourage us, and should not make us feel that we have lost a race, or that we are faltering. It should inspire us to greater things.

A few weeks ago a southern citizen, in commenting on this problem, said:

> Are our one hundred and eighty years as a nation built on such a shallow base of courage that we must become frenzied because a supposedly-backward nation has accomplished something which, irrespective of motive, is bound to advance the cause of humanity?
>
> Have we so lost our moral strength and stamina and dignity that suddenly we are forced to adopt the technique of a facesaving philosophy on which we have always looked with tolerance and amusement?
>
> Must we because of this single scientific achievement by another nation engage in an erratic and unscientific crash program of vindication in defense of our honor or our supposed superiority?
>
> We think not. America is a youthful, effervescent nation, and Americans are a vigorous people. In the first moment of victory or defeat they are alternately enthusiastic or depressed, but above all, given proper leader-

> ship, they are fair, honest and sensible, and ready to give credit where it is due.
>
> Let us hope, therefore, that on mature consideration we will credit Russia for the scientific progress it has made—that we will grow in national and international stature from the puncturing of our bubble of smug superiority—and that without frenzy, politics, or erratic emotionalism we will revert to our long-established methods of furthering, in the interests of mankind, the scientific progress which is already under way.

What this American has said, most Americans believe. I, for one, am happy that the launching of the Sputnik has pricked our balloon of complacency. I a glad that it has pointed out the problems that face us. This development has not proved that we are falling apart, or that we are not worthy. It has simply called our attention to the fact that we need to do further self-examination, and we are doing this here and all over America. We were getting into a pattern which prevailed centuries ago where few questioned what was happening, but lived complacently. In this connection I again quote that great American, Adlai Stevenson, who a few weeks ago said:

"But certainly the time has come to break through the thinning fog of complacency and affirm our conviction that American society is so varied, so inventive, so flexible, so abounding that problems exist to be overcome—that danger is also opportunity and our community becomes healthier and happier in the performance of great tasks."

Thank you very much for listening. Thank you very much for coming. Thank you for letting me participate. I wish you every success with your symposium.

ADDRESS AT THE ANNUAL MEETING OF THE TRAVEL COUNCIL OF NORTH CAROLINA, INCORPORATED

WINSTON-SALEM
March 17, 1958

[The Travel Council of North Carolina, chartered in 1955, is composed of individuals and organizations interested in promoting this vast and rapidly growing industry, which is one of the state's major sources of income. Its meetings are forums for the mutual exchange of ideas and the launching of active programs. Its projects include the "Keep North Carolina Beautiful" (anti-litterbug) program, the Host School program, the erection of highway welcome and informational signs ("Variety Vacationland"), the "See North Carolina Month," and various other plans designed to inspire and promote travel in North Carolina. Governor Hodges was an enthusiastic supporter of all of these efforts throughout his entire administration.]

I am happy to be here and share in this annual meeting of the Travel Council of North Carolina. "Everything is on the move in North Carolina." Since President Voit Gilmore has traveled more than 10,000 miles from Antarctica just to be here for this annual meeting, there is not much any of us in North Carolina can say about the distance we have traveled or the hardships we have experienced to be present. My trip was so easy and modern. I flew down in thirty minutes or so and flew at low level across one of the city streets to look at our local Piedmont Air Line shops. I hope very much that this meeting proves to be worth Voit's trip back from the South Pole. May I thank Voit for planting the North Carolina flag on an ice cap and for claiming for Mrs. Hodges a slice of the area to be known as "Martha Land"

Since I had a small part in the formation of the Travel Council in 1955, it is not surprising that I feel rather close to your organization and have followed its progress with great interest. In my opinion, the Travel Council is beginning to provide the kind of leadership needed in an industry comprising many loosely related businesses and thousands of independent operators. During the past three years, the council has made great strides toward becoming the voice of the travel industry in the state and has managed to do this without imposing a burdensome overhead in the form of an extensive organization. This is an exemplary type of public service for which all of you in the travel industry are to be commended. Your many contributions in time and talents have resulted in considerable enrichment of our state and its economy. But it takes dedicated leadership, such as Voit Gilmore has given you.

During the past year the Travel Council has sponsored two outstanding projects of value not only to the travel industry but to the entire state. They are the anti-litterbug campaign, which has now developed into a permanent "Keep North Carolina Beautiful Program," and the informational sign program in cooperation with the State Highway Commission. Some thirty of these new signs are in place and twenty-four more are being processed. I talked with Bill Babcock, director of the State Highway Department Saturday about these signs indicating "lookouts," special places, etc. and he is not only cooperative but enthusiastic. He sees the value of this sort of thing, and it is up to *your committee on this matter to tell what is wanted.* Babcock's approach to this problem is the same approach he is making to problems affecting our whole highway program—direct, modern, courageous, and intelligent.

You will also be delighted to know that the Highway Department is ready and willing to modernize our "Variety Vacationland" entrance signs on our leading roads. I would personally like to see us go still further and put up signs—substantial and good looking—that advertise North Carolina as a growing state in industry and diversified agriculture including a slogan like "Everything is on the Move." Don't forget that new people coming to us in industry and agriculture also travel in the state.

I would like to see our main state entrances nicely landscaped, and today I told the Highway Director we would start with an appropriation of $50,000 from the Governor's Surplus Highway Fund.

Looking ahead, your council has several challenging new projects. They include the operation of host schools which would employ the facilities of the Division of Distributive Education of the State Department of Public Instruction in training employees who are most frequently in contact with travelers. Proper instructions through these host schools to waitresses, service station attendants, motel and hotel clerks, etc. will result in improved service to our travelers and bring great benefit to our state generally. We all realize that courtesy and cleanliness impress visitors and can often make the difference between repeat business and the well-known unfavorable "word of mouth" advertising.

Your council has another ambitious project which would result in a survey of the travel industry itself in our state. We all know the travel industry in our state is big, but just how big appears to be anyone's guess. A good survey can produce answers to questions as to volume, origin and destination of travelers, and their preferences as to vacation attractions that will be a valuable guide to the travel industry and to the state advertising Department of Conservation and Development in developing its program. To be worth its salt, this survey must provide guidance not only for the state, but for its regions and communities, and individual operators, present and potential, within them. There is mighty little of value in a study that does not extend beyond last year's statistics. It is good for history, but I am sure your sights are set on the future rather than the past, and that the travel survey will become a valuable working tool for developing all phases of the industry. This proposed survey can be most significant for the state.

The travel industry, like all others, is becoming far more complex. It has special problems, just as our textile, tobacco, furniture, and other industries. It must engage in research and develop new approaches and new products. Basic requirements, like scenery and bed and board, are no longer enough to meet competition. In this day and time it is the extras, the plus values, that mark the difference between success and mediocrity and failure in the travel industry, just as in other industries. I firmly believe that the Travel Council, by initiating projects like these and by following through aggressively, is proving its value not only to the travel industry but to the entire state.

It is an important fact that travel is one of North Carolina's major industries and an important source of public revenue. Because our travel attractions are not confined to any one section of the state, we can safely say that "travel is everybody's businesss." The travel industry brings vast indirect benefits in addition to its initial cash returns to motels, hotels, restaurants, service stations, etc. This is true because so much income generated by travel is represented by retail trade, income from service industries, manufacturing, and agricultural production. Travel produces business ranging in some degree across the entire economy of our state and adds substantially to tax revenues—actually, travel furnishes taxes that would have to come from other sources if it were not for the new, fast and far-circulating dollars from our tourists. This is not the usual "fast dollar" but a dollar that benefits both sides equally.

The State Travel Bureau has estimated the number of travelers last year in North Carolina at 10,000,000 and a direct income from travelers of more than $183,000,000. This estimate was made using National Park Service statistics for visitors to the Great Smoky Mountain National Park, Blue Ridge Parkway, and Cape Hatteras National Seashore Park as a base. Estimates using a much broader base and including *indirect* as well as *direct* returns give a much higher figure, the one most generally accepted being the $300,000,000 annual value placed on the entire North Carolina travel industry by the Fifth District Federal Reserve Bank. Let's check to see what it is!

We need to realize that our many and varied travel attractions are natural resources which remain undepreciated and available for enjoyment down through the years. That is if we don't depreciate and desecrate by assorted highway signs and junk graveyards. Our state slogan "Variety Vacationland," was adopted in the 1930's to describe our choice of mountain, beach, and mid-South year-round attractions. Maybe it ought to be looked at and see if it is what we now need.

The economic impact of travel upon the state's economy is felt every day in the year. Even in the dead of winter, accommodations along main North-South highways do good business catering to travelers motoring to and from deep South winter resorts. In fact, a major factor in North Carolina's travel business the year around is the transient trade in lodging and meals in route. The business goes to motels, hotels, restaurants, and service stations along highways far from resort areas. It makes the travel industry truly state-wide in character. As travel people, you are familiar with the many attractions available to travelers the year around, including sport fishing, parks and public recreational areas, beaches, mountain lakes, summer camps, plays and dramas, religious assemblies, etc.

In view of the importance of travel to our economy, what are we doing from the state's standpoint to help promote travel? Actually, as most of you know, North Carolina was a pioneer advertiser of travel attractions. Its state-supported promotional program began in 1937 when the Advertising Division was established in the Department of Conservation and Development and was assigned the duty to map out and carry into effect a systematic plan for the nation-wide advertising of North Carolina.

However, all progressive states are promoting and developing travel attractions aggressively. They recognize the importance of this industry as a direct revenue producer, as well as one bringing many indirect benefits. So let's never get the idea that we are the only ones doing a job.

According to the 1957-58 survey of community advertisers made by the Curtis Publishing Company, the top ten travel advertisers in the South are:

	Total Reported From All Sources	State Appropriation
Florida	$4,180,189	$1,850,000
North Carolina	*630,167*	*351,217*
Tennessee	412,623	300,000
Louisiana	409,900	367,300
Texas	371,250	95,000
Arkansas	315,350	278,700
Georgia	244,400	174,000
South Carolina	255,565	223,065
Alabama	199,795	75,000
Virginia	138,339	(not reported)

The total shown by the Curtis Survey for all travel and vacation advertising and promotion by all states, regions, and communities is $17,302,441 for this fiscal year.

These figures show that North Carolina and Florida lead the South both in travel volume and investment in advertising travel attractions. Southern states, generally, are the most aggressive travel promoters.

Florida, as might be expected, is by far the largest advertiser in this category in the nation, both as to the state appropriation and advertising by others. The Miami Beach appropriation alone is $278,000, more than two-thirds as much as the entire state appropriation allocated to travel promotion in North Carolina. Florida also engages in many forms of advertising not used in North Carolina. This includes six highway welcome stations which have proved very effective, but they require an operating budget of $250,000 a year.

It is also true that the bulk of the travel advertising load in North Carolina is carried by the state. Only three communities have advertising budgets this year of approximately $50,000 or more. They are Asheville, Fontana, and Pinehurst. Each town and each firm dealing in travel has responsibilities.

Of course, we realize that in many other ways the vacation travel business of North Carolina and Florida is similar and complementary. North Carolina has the benefit of highway traffic to and from Florida in winter and an exodus from Florida's heat to the cool of North Carolina's mountains in summer. Florida, on the other hand, attracts a lot of Tar Heels during January and February—the only two months of the year when North Carolina experiences much real winter weather.

All of us are very proud of our highway system in North Carolina, and are pleased to have our state share in the great interstate highway system which will link the major sections of the nation with limited access, turnpike-type highways. This great improvement in highway transportation brings new problems and new challenges to the travel industry of our state. It means that the traveling public can drive all the way across the state without a single stop, by-passing cities and towns, etc. Unless there is something outstanding to attract their attention, more and more drivers will just keep driving on the big new highways.

In this connection, I should like to point out, with regret, that the Department of the Interior is again attempting to make a toll road out of our beautiful Blue Ridge Parkway. A group of state officials and I will go to Washington for a meeting at 9:30 A.M., Wednesday, to oppose vigorously any such action.

Travel experts point out that the airplane and the promotion of relatively low tourist class fares have brought world-advertised foreign vacation attractions within reach, both as to time and money, of many thousands of people to whom they were formerly inaccessible. For example, vacationers may now reach Puerto Rico or Bermuda from New York City even more quickly and about as cheaply as they can travel to Asheville or Nags Head. The traveling public has a greater choice and easier access to new attractions at home and abroad than ever before.

We in North Carolina must accept the fact that we are competing in the big leagues of the travel industry and that we must keep advancing and meet competition with new attractions, up-to-date accommodations, and the most effective advertising possible. No longer is it sufficient simply to advertise what we have. We must make what we have something that travelers want. What was good enough yesterday isn't good enough today, and will fall short tomorrow.

The "package tour" idea will grow rapidly and we ought to keep abreast or ahead of developments. Our airlines and other transportation people can be of great help in this development. They say "Fools rush in where angels fear to tread" or "Governors speak up when possibly enough has been said." But, I'd like to suggest to the leaders in two of my favorite cities (Greensboro and Winston-Salem) that if they don't get together on a regional airport the "parade" will start at Charlotte or Raleigh or some other place.

North Carolina is a very fortunate state in having many good attractions to promote. Every state strives to put its best foot forward, and promote what it has as best it can. It is interesting to note that Minnesota is advertising its fiercely cold winters as a travel asset. Cold weather, the Minnesotans claim, is something hardy travelers seek, and Florida is seeking and getting summer customers.

North Carolina does not have to advertise sub-zero weather, gambling resorts, or race tracks. It does have, and does advertise, outstanding travel attractions including the choice of mountains and beaches, the choice of summer and winter resorts, all-year climate with four distinct seasons, the two most visited National Parks (Great Smokies and the Blue Ridge Parkway), the nation's only National Seashore Park, the highest mountains in eastern America, the best saltwater fishing along the middle Atlantic Coast, distinctive outdoor dramas, etc. These things should appeal to "tourist families."

Bruce Catton, the Pulitzer Prize winning historian and editor of the *American Heritage,* recently suggested an excellent lifetime see America travel plan for learning American history firsthand. Mr. Catton said that all a traveler would have to do would be to decide which twenty or thirty places in America would best repay a visit—and then, in the years ahead, try to go to as many of them as possible. His list of thirty places did not list any historical site in North Carolina, and this aroused the Greensboro *Daily News* to comment as follows:

> North Carolina is paying for decades of neglecting its heritage. But even so we wonder if the Tar Heel State had a chance to get in the Catton travel plan.
>
> North Carolina's reputation as a valley of humility between two mountains of conceit is an old story. On Catton's list for the South are the Virginia shrines—Mount Vernon, Williamsburg, Jamestown, and Monticello—along with Appomattox and Charleston. Our neighbors aren't neglected.

Then the *Daily News* made its own list of historical locations in North Carolina which are worth a visit from any traveler. This list includes many of our well known historical locations from Asheville to the coast. The chief difference between these historical locations and those in other states is the fact that other states have *promoted* and *advertised* their historical attractions to the world.

I am tremendously pleased with the progress which has been made by the Travel Council, and I commend all who have had a part in making this possible. It is my hope that you will continue to push ahead with your program and your projects. The potential is so great that we must do everything possible to meet it. But, may I say to you in all frankness, ladies and gentlemen, you must have vision and courage—courage to the point of audacity—if you are to meet modern-day competition, and you must think in generous terms. You cannot, I repeat, cannot leave it to "George" or Charlie or Hugh or Voit or any particular person or group or the state itself to do the things you should do yourself. Many things you must do for your own business, and you must cooperate with others and the state with your time, your interest, your leadership, and your money if you and we are to succeed. What glorious future we have if we will all do our individual parts. Let's go!

ADDRESS AT THE DEDICATION OF THE ZEBULON LIONS CLUB COMMUNITY BUILDING

ZEBULON
March 31, 1958

[In view of the fact that some 66 per cent of North Carolina's farm income is derived from crops benefitted by federal price supports, it was a matter of great concern to the state's farmers that President Eisenhower and his Secretary of Agriculture Ezra Taft Benson had recently announced a plan to reduce agricultural price supports and increase acreage allotments. Governor Hodges expressed this concern with great force and severely criticized the "hypocritical attitude of the present administration" with reference to the farm situation in this address made at the dedication of a new community building in the village of Zebulon in Wake County.]

It is a sincere pleasure to be here tonight to participate in so gratifying a program. This is a particularly pleasant experience that typifies the wonderful spirit of community service so synonymous with Lionism in North Carolina. I have on many occasions in the past enjoyed the fellowship, the fun, and the excellent programs for which Lions Clubs are noted. As you may know, I am an honorary member of the Lions Club and very proud of this honor. I still remember with great pleasure attending your International Convention at Miami Beach, Florida.

Lions International is truly one of our great civic organizations. Evidence of its greatness can be found in its amazing rate of growth—not just in North Carolina, but throughout the nation and the world. We in North Carolina are proud of our past International President, Jack Stickley of Charlotte, North Carolina.

We in North Carolina identify the work of our Lions Clubs primarily with aid to the blind and visually handicapped. This state has received international recognition for the accomplishments of its Lions Clubs in bringing a richer and more useful life to our handicapped citizens. I would like to pay special tribute to the North Carolina State Association for the Blind, which was organized by the Lions in 1934, and to the work of the North Carolina State Commission for the Blind, which was promoted by the Lions Club to coordinate all state activities related to blind work.

I hope you will continue your activities in this field for there is definite merit in assuming responsibility in a basic area such as blind assistance and in not scattering your talents and your activities too widely among the many projects that are available to civic clubs.

This community building we are dedicating here tonight is a fitting monument to the Lions Club motto "We Serve." What better way can a community be served than to be provided with a building around which the life of the community can revolve; a building that can serve, not one, but many purposes; a building that can draw the entire community closer together. You may take justifiable pride in your accomplishment here.

Your accomplishment, however, is not surprising. For in less than nine years the Zebulon Lions Club has compiled a record that is the envy of many older and larger clubs throughout the state. Your contributions to Lions International, our state, and community have been impressive. It all began here on December 9, 1949, when you recorded the largest charter night ceremony in the state and set the tone of your activities in the years that have followed.

You have furnished Lions International with a number of highly competent and dedicated officers, and you displayed an outstanding example of group dedication when, in 1954, your club was represented 100 per cent at the state convention in Raleigh.

Also commendable has been your monetary and material contribution to the well-being of your neighbors—$2,000 to be used as needed for handicapped children; almost 200 pairs of glasses for individuals who needed but were unable to purchase them; 180 Christmas baskets to the blind; fuel, food, and clothing to needy families; and uniforms for the Wakelon Band.

There are many areas available for constructive service in each community, county, and our state. One good example of volunteer service to the welfare of our state and agriculture, is the Governor's Farm Advisory Committee which is hard at work seeking to stimulate interest, ideas, and imagination in meeting our serious farm problems. This committee is made up of fifteen people representing our established agricultural agencies and organizations, North Carolina State College, small farmers, area development groups, and the farm press. It is well-blended with experienced farm leaders and younger farmers who have made remarkable progress in special opportunities in agriculture. It is of interest to this fine community and area so dependent on agriculture.

This committee was appointed to advise my office as representative of all the people on our farm problems and our programs, both current and planned.

The recently announced Eisenhower-Benson national farm program, including lower price supports, brings to a sharp focus our North Carolina farm situation. We are dependent for 66 per cent of our cash farm income on crops under federal price supports against a national average of about 26 per cent. This is serious!

The whole public needs to understand these problems. It is my desire to support and strengthen present programs that are striving diligently to understand and solve farm problems.

Now, my friends, I want to speak to you quite frankly about the national farm situation during the past five years—vitally and adversely affecting the farmers of North Carolina and the nation.

The story really begins in 1952 with the "great" Republican crusade. You will recall that the Republican candidate for President made a major address at the National Plowing Contest. That was at Kasson, Minnesota, on September 6, 1952.

This is exactly what Candidate Eisenhower said on that day:

> And here and now, without any 'ifs' or 'buts,' I say to you that I stand behind—and the Republican party stands behind—the price support laws now on the books. This includes the amendment . . . to continue through 1954 the price support on basic commodities at 90 per cent of parity.
>
> I firmly believe that agriculture is entitled to a fair, full share of the national income . . . and a fair share of not merely 90 per cent of parity—but *full* parity.
>
> We must find methods of obtaining greater protection for our diversified farms, our producers of perishable foods . . . as provided in the Republican platform, the non-perishable crops so important to the diversified farmers—crops such as oats, barley, rye and soy beans—should be given the same protection as available to the major cash crops . . . We can and will find a sound way to do the job without the moral bankruptcy of the Brannon Plan.

Quite understandably newspapers throughout the country gave dramatic headlines to Candidate Eisenhower for what he had said at Kasson, Minnesota, in such headlines as "Ike promises to work for 100 per cent farm parity;" "Ike's goal 100 per cent farm parity;" or "Ike favors more farm crops and 100 per cent parity."

Inasmuch as the Democratic farm program in 1952, as it had been for many years, was based on legislation continuing support at 90 per cent of parity on the basic commodities, it is quite understandable that the commentators throughout the nation concluded, quite readily, that Eisenhower had clearly-out-promised his Democratic opponent.

No doubt encouraged by the reception among farm groups of his sweeping promises made on September 6, 1952, Eisenhower could not resist, and indeed did not resist, the temptation to make his position even more firm. On October 4, 1952, at Brookings, South Dakota, Candidate Eisenhower had this to say, and I quote his exact words:

"The Republican party is pledged to the sustaining of the 90 per cent parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100 per cent parity, with the guarantee in the price supports of 90 per cent."

To carry out these promises of Candidate Eisenhower, President Eisenhower appointed as his Secretary of Agriculture, Ezra Taft Benson.

Almost from his first day in that high office, Secretary Ezra Taft Benson has shown himself to be a man with a mission, and that mission has had no discernible respect or regard for either the American farmer or for the promises which Candidate Eisenhower made in 1952. Indeed, in one of his first statements on agricultural policy, made in 1953, Mr. Ezra Taft Benson's basic attitude toward the American farmer is very well illustrated by his own statements:

> It is doubtful if any man can be politically free who depends upon the state for sustenance.
>
> A completely planned and subsidized economy weakens initiative, discourages industry, destroys character, and demoralizes the people.
>
> Too many Americans are calling on Washington to do for them what they should be willing to do for themselves.
>
> Inefficiency should not be subsidized in agriculture or any other segment of our economy.

Well, I don't suppose these generalizations contain any thoughts with which most of us would not heartily agree. Are they not rather strange, however, coming from a Secretary of Agriculture appointed by the person who spoke as Candidate Eisenhower at Kasson, Minnesota, at Brookings, South Dakota, at Columbia, South Carolina, and countless other places during the 1952 presidential campaign, and told the American farmer in no uncertain terms that he was wholeheartedly behind the farm price support program?

Time will not permit me, of course, to detail the various farm moves made by the Eisenhower administration since 1953. The Eisenhower farm approach can be described as one of lowering support prices, restricting rural credit, raising interest rates on what credit is available to farmers, restricting access of rural electric cooperatives to new sources of power from public projects, and breaking up the farmer-elected committee system for administering the agricultural stabilization program.

One incident occurring in 1956 should be cited. *Harper's* magazine printed in its December, 1955, issue a scathing and insulting denunciation of the farm program and of farmers. The article was entitled "The Country Slickers Take Us Again." That article had these statements:

"The farmer not only got in the habit of accepting his dole; he came to believe it belonged to him permanently as a matter of right . . .

"When any hog keeps his jowl in the trough long enough, he gets to thinking he owns the trough."

The author of that article also agreed with the alleged findings of a New York *Times* reporter that "the ordinary Iowa farmer . . . has a minimum of two new cars and they are usually brand-new Buicks or Oldsmobiles or Cadillacs."

On January 27, 1956, *Harper's* printed a letter to the edtior which praised this article as "excellent." That letter was signed by Ezra Taft Benson.

Of course, this amazing development immediately caught the attention of Congress. Mr. Benson began to get some rather hot and heavy reaction. Finally, he issued a statement saying that "we pulled a boner." He added that he had not read the article or the letter, and that an assistant in his office had signed his name.

Aside from what Mr. Benson has done, both in recommending legislation and in administrative action, in affecting the over-all economic position of the American farmer, he has had what seems to me to be a rather unusual share of unfortunate administrative incidents in his department—incidents giving rise to very serious questions as to the moral tone of the administration of that department. In May, 1953, it was disclosed that several thousand tons of dried peas held by the Commodity Credit Corporation had been sold at 40 per cent below list price. This large amount was sold in secret negotiations to a syndicate of three Northwest grain firms, at $1,600,000 less than the list price. The man who handled that particular deal was Elwood L. Chase, a high-ranking Republican in the department. A House Agriculture Subcommittee investigated this incident and condemned the department for it. Apparently the matter was somewhat smoothed over by the department's pronouncement that it would change the procedures thereafter so that public bids would have to be used.

Another item: In December, 1953, a story broke to the effect that the U. S. Department of Agriculture took a substantial loss in the sale of government-owned seed. All but one of the buying companies were identified with an advisory committee which had been appointed to help the government get the best price for its seed. The syndicate of five companies which purchased 15,000,000 pounds of seed was headed by the then Chairman of Benson's Seed Industry Advisory Committee. The department rejected earlier bids for the seed before it accepted the bid from the syndicate which was $245,000 lower.

Another, quite smelly, incident occurred in 1954—involving cheese. In this little case, the U. S. Department of Agriculture in effect gave cheese processing companies $2,500,000 when Benson lowered the support level on cheese from 37 cents a pound to 34.5 cents. What actually happened was that the processers sold cheddar cheese to the Commodity Credit Corporation at the higher support price of 37 cents a pound, and after the support level was dropped, bought it back for 34.5 cents, thereby reaping a windfall of about $2,500,000 on cheese that had not even left their warehouses. This little development was brought to light by a House Government Operations Subcommittee headed by North Carolina's Congressman L. H. Fountain. Eventually, the Comptroller General of the United States, who had been appointed by Mr. Eisenhower, ruled that the cheese transaction was unauthorized and improper and the Department of Justice entered suit to recover the windfall profits.

These are just some of what we might describe as "questionable transactions" occurring under the administration of Mr. Benson.

One of the most amazing examples of Republican double-talk with respect to the American farmer is revealed in the so-called Soil Bank Program enacted by the Congress in 1956.

It was obvious that something needed to be done to offset the declining economic position of the farmer, much of it brought on by Republican policies with respect to farm matters as well as business matters.

The major feature of the Soil Bank Program was the acreage reserve aspect, permitting farmers to withdraw huge amounts of acreage from production and in return receive directly from the federal government payments to offset the loss of net income. Many people have doubts as to how good the soil bank program really is over the long run.

The point that I want to make here, however, is the hypocritical attitude of the present administration. We all recall that some ten years ago the Honorable Charles F. Brannon, then Secretary of Agriculture, proposed as a means of dealing with the farm problem on a long-range basis, that the government make what he termed "production payments" directly to the farmers, letting the farm commodities be sold in the market place at the going market prices. Under the proposed program, the farmer would be guaranteed a fair return for his product and if the going market price was below that fair return, the farmer would receive the difference in a direct production payment from the federal government. Mr. Brannon also proposed a ceiling on the amount of benefits that any one farmer could receive.

You recall the great debate on the Brannon Plan. I am not prepared to defend that particular proposal in all its aspects. I simply want to point out on this occasion that the Republican party, with Candidate Eisenhower leading the parade, referred to the Brannon Plan as "moral bankruptcy." The very term "Brannon Plan" came to be used as a Republican epithet. Many people, not understanding at all just what the proposal was, were undoubtedly misled by this propaganda.

We now come to the Republican farm program recently submitted to Congress. The proposals which Mr. Eisenhower and Mr. Benson have made should really come as no particular shock to any of us. Their position is really quite consistent with previous actions. And of course, it has been and still is most illuminating to compare their proposed program and past action with their campaign promises. The 1958 Republican program in effect proposes lower price supports coupled with greatly increased acreage allotments.

Mr. Eisenhower, in his message to the Congress on January 16, said that acreage control has failed to bring agricultural production into line, "despite the severe restrictions they impose on the individual farmer's freedom to produce and to market his products. And unrealistic price support laws, some of which date back to the Agricultural Adjustment Act of 1938, result, as farmers now realize, in loss of markets."

The President's message of January 16 indicates that during 1957 the economic position of the American farmer, over-all, really improved. That message stated that the prices received by farmers on the average were 3 per cent in excess of prices of a year ago, and that during the past two years farm net income has stabilized, "following several years of decline." Yet, on January 22 an official report issued by the U. S. Department of Agriculture showed that farm income for 1957 went down instead of up as previously forecast by the Republicans. The new report on 1957 net farm income for the farmers of America is placed at $11,900,000,000 as compared with the 1956 level of $12,100,000,000. Benson himself said as recently as December 5, 1957, that the farm income for the year 1957 would be up for the second year in a row.

The present administration now tells us that acreage controls have failed to bring agricultural production into line and that we are now faced with unmanageable surpluses in several commodities. To meet that particular problem, it is proposed that more and more acres be put into production by increasing acreage allotments substantially.

As to farm income, the relative position of the farmer is clearly more unfavorable today than it was a year ago, and to meet that particular situation, this administration proposes that authority be given Mr. Ezra Taft Benson to lower price supports drastically.

It is said that the individual farmer desires to have more freedom to produce and to market his products.

Apparently, the Administration is not aware of the fact that farmers themselves vote to adopt marketing and production quotas through referendums in which it is required that two-thirds of the growers voting in the referendum must approve the quotas if they are to continue in effect.

What has been the results under the Republican administration during the years 1953 through 1957, as affecting the American farmer—results, which, in my opinion, are due for the most part to the policies formulated by Ezra Taft Benson, and accepted and backed wholeheartedly by President Eisenhower himself?

Since January, 1953, farm prices have gone down; farm costs have gone up; net farm income has dropped from $15,100,000,000 in 1952 to $11,900,000,000 in 1957.

While farm prices have been falling, the retail price of food has remained constantly high.

The Farm Credit Administration reported that in 1955 farm owners borrowed $2,400,000,000 on farm mortgages security, the largest amount since 1923.

The tight money policy has hit farmers as well as all other groups. We all know that farmers must rely on credit as an essential factor in production, just as is machinery, seed, or fertilizer.

We recall that the political campaign cry of the Republicans, with respect to the farm surplus problem, was to the effect that the farm surplus problem was one thing which they would really get hold of and clear up immediately. Yet, the total dollar amount of commodities held in inventory by the Commodity Credit Corporation has increased *five fold* from 1952 to 1957—from $1,100,000,000 in 1952 to $5,300,000,000 in 1957. These figures are as of June 30 of each fiscal year.

The immediate reaction to this farm proposal for 1958 has been so vigorous and emphatic as probably to get across to Mr. Benson himself. Fortunately, responsibile leaders in Congress, both Democrats and Republicans, have voiced their complete disenchantment with Mr. Eisenhower's and Mr. Benson's farm program. . . .

While we all recognize the vital importance of a constructive national farm program, we in North Carolina must continue to do everything possible to solve our own farm problems. In numerous speeches throughout the state, I have urged our farmers to stay on the land and to supplement their farm income in various ways, including the raising of more poultry and livestock, more truck crops, beginning local processing plants, raising more of their own food, giving more attention to soil and water conservation, more emphasis on forestry, etc., as well as working part time in industry.

As mentioned earlier, the processing and marketing of food offers almost limitless markets for produce from our farms and thousands of job opportunities in canning, freezing, and packaging farm produce for the consumer market.

Present-day markets demand that even fresh produce be processed before it is presented for purchase. In the spirited competition for the housewife's dollar, potatoes must be washed, sorted, and bagged; carrots must be sized, trimmed, and packaged; and the last grain of sand must be removed from the spinach before it is neatly displayed in gleaming cellophane.

It is difficult to say whether the food processing industry is an extension of the marketing processes of agriculture, or whether agriculture is adopting industrial practices to fulfill the demands of the processing industry. Certainly, in the production of foodstuffs for the present-day markets, no line can be drawn to indicate where agriculture leaves off and industry begins.

In our determination to develop the production, processing, and marketing of food in North Caroilna, it is logical that the agricultural, scientific, and industrial forces of our state be joined to tackle the job. Personnel from the Department of Agriculture, State College, and the Department of Conservation and Development have been selected to form an Agriculture-Industry-Marketing Committee with the specific assignment to promote and develop this huge industry which holds out such bright promise for the future of our state's economy.

This committee is already at work; and I am happy to announce that since its organization early last year, ten new food processing plants have started production in the state. These ten plants have an investment of $11,138,000, a payroll of $1,258,000, and furnish employment for 534 workers.

I want to commend our various state and federal agencies for the work they have done. I am sure they will re-double their efforts.

In closing, I want to express my confidence in the ability of North Carolina and its people to meet the challenges of today. I am by nature an optimist, and I have great faith in the basic strength of our state to move ahead as rapidly as possible in providing the type of diversified economy which we must have.

I commend all of you for your interest in the welfare of your county, state, and nation, and urge you to do all you can as individuals and as groups for every constructive program which will help our state move forward. The dedication of this attractive community building is a good example of the kind of unselfish service which we must have in North Carolina.

Thank you.

ADDRESS AT A MEETING OF THE SCOTLAND NECK BUSINESS BUREAU

SCOTLAND NECK

April 17, 1958

[Conservation of the state's water resources was a problem to which Governor Hodges gave serious consideration throughout his entire tenure of office. He made a number of speeches dealing entirely with the subject and referred to it in several others as well as in statements issued on various occasions. This address, delivered before a group of Scotland Neck businessmen, was devoted solely to "the water problem" and was illustrative of the Governor's views on that subject and of the various ways in which he proposed to deal with it. Delivered in the local High School cafeteria at 7:30 in the evening, the address at Scotland Neck was the Governor's second speech that day, the first one having been made in the afternoon at the dedication of the new Bertie Produce Company at Windsor.]

It is a pleasure to be here tonight to meet with the membership of an organization that for almost two decades has worked effectively for the betterment of this great section of our state. The Scotland Neck Business Bureau was born of patriotism in 1940 when it became apparent to you that the nation might have need of some type of organization to strengthen the country's defenses. I understand that a group of you visited Washington at that time to volunteer your services and resources, but were disappointed to learn that you were located too near the coast for war production facilities and too far from the coast to warrant the establishment of actual defense installations. You were told to go back home and increase crop productions to meet the basic needs of a wartime economy—a feat that you accomplished with a vengeance.

You were not satisfied with this singular role, however, and again you went to the nation's capitol. This time your determination resulted in the establishment of a unit of the National Youth Administration here in Soctland Neck at a cost of $165,000. Between 150 and 200 aircraft workers were trained here, and they went on to add their valuable contribution to the war effort.

When the training center was placed on the market at the end of the war, your bureau purchased it for the county in the hope that it might be converted into an industrial vocational school. When, in spite of your admirable efforts, this plan failed to materialize, the center was sold by the county at a reasonable profit, and you turned your considerable energies to other things.

You are certainly to be complimented on the fact that you have not allowed disappointments and frustrations to lessen your determination to raise the economic standard of your area and, thereby, to improve the lot of every man, woman, and child in this section of North Carolina. You have worked independently and in cooperation with other organizations to achieve your goals, and the record clearly shows that your accomplishments far outnumber your failures.

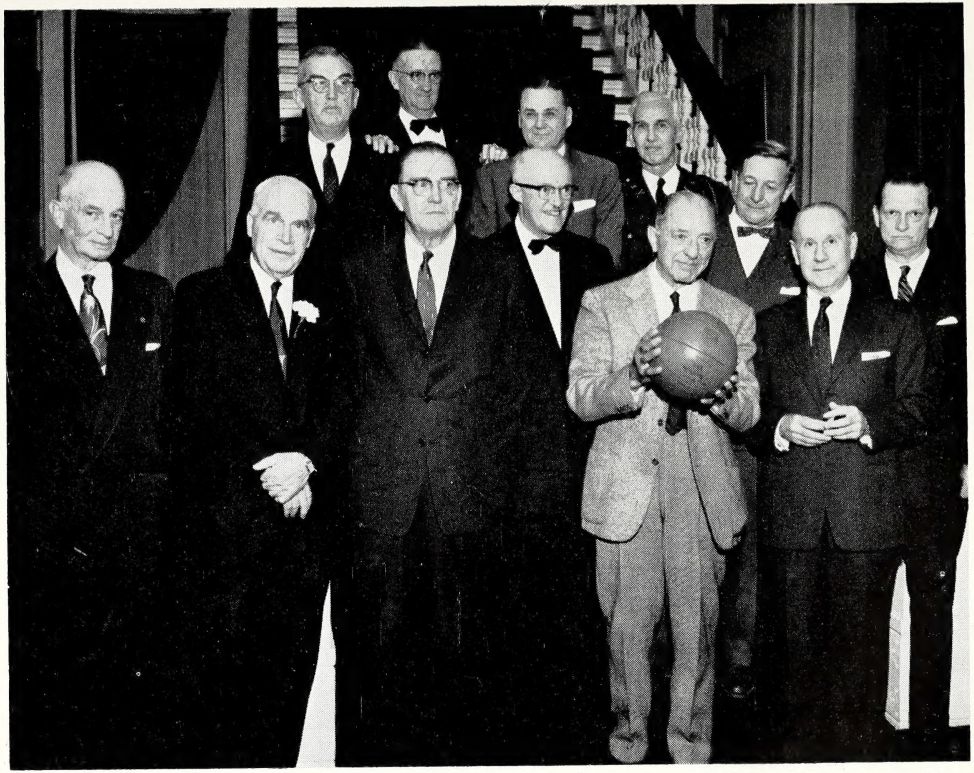
In this connection, I would like to stress a fact that I am sure most of you have already learned through experience. I want to emphasize the importance of perseverance—the importance of setting a high goal for yourselves and driving constantly toward that goal regardless of the pitfalls and obstacles you may encounter. I am sure you will agree that had you permitted yourselves to become discouraged each time your efforts were not crowned with success, then your contributions to this community and this county would have been far less significant than they are. More than 200 years ago the French philosopher, Montesquieu, said, "In most things success depends on knowing how long it takes to succeed." This philosophy is most applicable in North Carolina today, and it is especially applicable in the eastern part of the state where there are, perhaps, fewer limitations on opportunity than in any other section. Too often the victory is sacrificed for lack of that extra bit of tenacity that brings success. I feel confident that this has not been the case here. Your record certainly doesn't indicate it. Still, it doesn't hurt to remind ourselves occasionally that the most important cause of failure is the lack of ambition.

Tonight I would like to discuss with you a subject that, directly or indirectly, has affected all of your past activities and will undoubtedly play an increasingly important role in your future plans. That subject is water. Mr. Eric Rodgers, I know, will consider it a pertinent subject.

Before getting into that subject let me urge you here in the area of Scotland Neck and in Halifax County to look squarely at your economic problems. Further, let me suggest that you face up to their solutions with realism, imagination, and courage. You have made, I understand, a county-wide, crop-wide analysis and know what you are losing in traditional crops. You will, of course, continue tobacco and peanuts but you must do more. The current series of articles by Bill Humphries in the *News and Observer* show what counties like Duplin are doing.

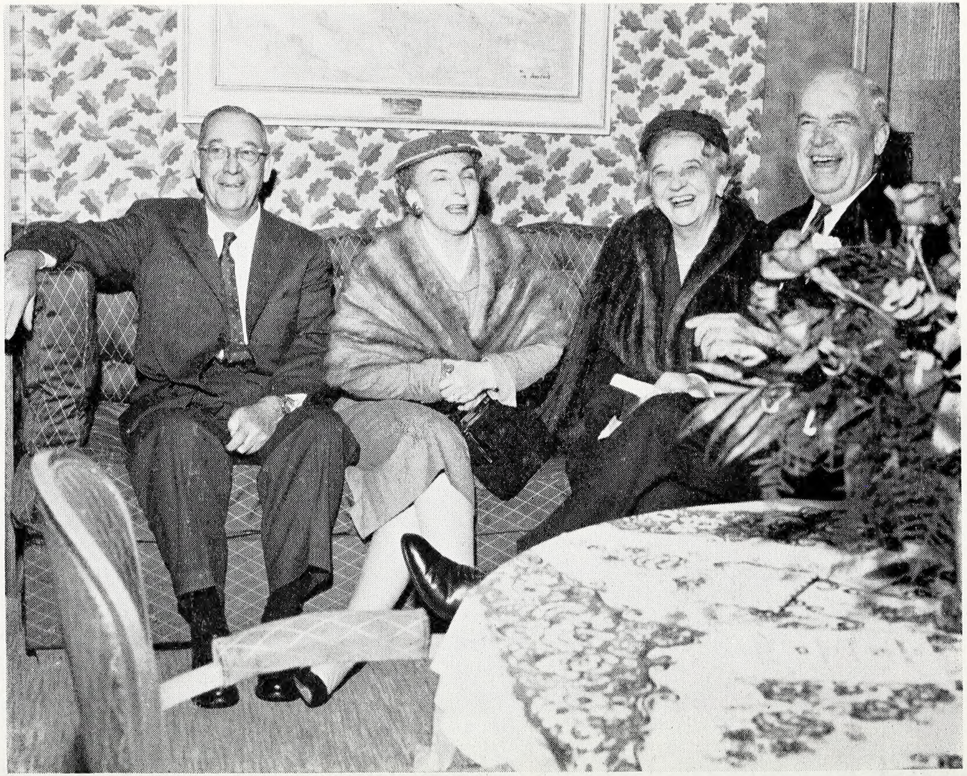
This afternoon we saw dramatic evidence of the beginnings of great things in Bertie. These changes will come only from local leaders such as you.

Perhaps, a more appropriate subject than "water" would be the vague and evasive, but very real, thing that we have come to know as "the water problem." There are those of you here who know the significance of this problem, who recognized the importance of water long ago and have worked unceasingly in recent years to minimize the seriousness of the many small problems that combine to form the single large problem. The work of your Roanoke River Basin Association is a giant step in the right direction, but I think my friend Eric Rodgers will agree that much remains to be done before we can relax our concern about water. As a matter of fact, our water problems have increased so



News and Observer Photo

Former members of the 1917 University of North Carolina Basketball Team at the Governor's Mansion, January 8, 1958. *Left to right, front row:* Lewis R. McDuffie, Governor Hodges, Elliot C. Grandin, Sidney C. Perry, George R. Tennent, Frank E. Kendrick, and William D. Carmichael, Jr., member of a later team; *back row:* William R. Cuthbertson, John Minor Gwynn, Bryce Little, F. Carlyle Shepard, and Charles G. Tennent.



News and Observer Photo

Senator Everett B. Jordan, Mrs. Jordan, Mrs. Hodges, and Governor Hodges leaving for a Caribbean cruise, January 9, 1958.

rapidly in recent years that our efforts to curb them have been hard pressed to keep pace and in many instances they have proven inadequate.

Basically, the problem is a simple one. During the past fifty-seven years we have tripled the amount of water we use. During the same period the amount of water available to us has grown less and less. In 1900, we used about fifty gallons per day. Now, with our inside plumbing, our air conditioners and dishwashers, and our vast expanses of lawn to keep watered, our daily consumption has risen to 150 gallons per day.

At the same time our industrial development has placed tremendous demands on our water resources. Our textile mills use 250 tons of water each time they process a single ton of rayon fibre. Up to 85,000 gallons of water are needed to process a ton of pulp paper. There are many single industries in North Carolina that use as much water in a day as many of our cities do in a week.

One of the most significant changes in our water use habits is found on the farm where the popularity of irrigation has increased at a fantastic rate in the past few years. In 1949 there were just over 2,000 acres under irrigation in the state. By 1954 that figure had jumped to 25,423 acres. Our farm experts estimate that in 1957 the number has risen to 50,000 or more acres. National figures show that irrigation accounts for at least half of the 200,000,000,000 gallons of water withdrawn from the country's rivers, lakes, and streams each day. As near as can be determined the figure has not reached this proportion in North Carolina, but there are indications that it will be reached—and surpassed—within the next few years.

I will deal in more detail with the subject of irrigation later. Let me mention at this time, however, that the primary reason for our concern over the tremendous growth in the popularity of irrigation is that water used for this purpose is totally consumed. Each time the farmer places one inch of water on one acre of land, he removes more than 30,000 gallons of water from some pond, stream or underground reservoir; and, if he is irrigating properly, not one drop of that water is returned to its source for re-use.

The fact is that we have now reached a point where we have little choice but to move quickly and decisively toward effective solutions for the problems at hand. The urgency of the situation was sounded recently by General James R. Townsend, city manager of Greensboro and chairman of the State Board of Water Commissioners. Speaking as a man well-qualified to voice an opinion on both the local and state-wide aspects of the present situation, Townsend said, "The well-being of future generations in North Carolina may well be determined by the action taken during the next twelve months with regard to the state's water resources."

To emphasize his statement, Townsend added that "If the action is imaginative, far-reaching, and effective, these resources can serve as a springboard to almost unlimited economic development and prosperity. If the action is unimaginative, limited in scope, and ineffective, the same resources will become not only a barrier to future progress, but an eroding force capable of eating away constantly at the progress already made."

He concluded that "the challenge is very real and very personal. It affects every man, woman, and child in North Carolina. It touches the fisherman whose livelihood is threatened by pollution, the farmer who has too much water when he needs little and too little when he needs a great deal, the manufacturer whose demand for water remains constant while his supply varies with the seasons, and the city fathers who must turn away industry because their water supply is already taxed to the limit."

These are not hypothetical examples of conditions that might develop in the future. They are descriptions of very real conditions that exist in North Carolina today. They are conditions that cannot be ignored without jeopardizing the future of the state. Today, these conditions fall into the category of problems that can and must be dealt with quickly and efficiently. Tomorrow, the problems will become emergencies and the solutions, if they can be found at all, will become extremely evasive and very, very costly.

Fortunately, North Carolina is not being asked to meet this threat totally unprepared. We can find consolation in the fact that the threat was recognized far enough in advance to permit the orderly accumulation of some of the knowledge that is essential to effective planning. And while this knowledge is by no means as comprehensive as might be desired, it is certainly adequate to eliminate some of the uncertainty that has hampered similar efforts in other states.

The gathering of this knowledge began, on a very limited scale, prior to World War II. In 1940 our water research program was conducted almost entirely by two federal agencies. The U. S. Weather Bureau supplied us with information on rainfall and the U. S. Geological Survey was cooperating with our Department of Conservation and Development in the gauging of stream flow in some of the larger rivers. There was no study of the ground water supply. There was no study of the quality of the water in our streams. And there was no study of the sedimentation problem, although its effect was definitely apparent in many areas of the state. There was very little information concerning the availability of water and almost no data on water use. The Soil Conservation Service was active, but its interest in water was negligible. There was no stream pollution program. A stream pollution law was in effect, but on account of its questionable constitutionality, it was not enforced.

During the ten-year period leading up to 1950, there was some slight improvement in conditions. The stream flow study was continuing, though inadequately financed. Small scale studies of ground water and stream siltation were underway. There was also a token effort made to collect data on water quality. Attempts to push anti-pollution measures through the legislature were defeated in both 1947 and 1949. It was not until 1951 that the General Assembly and the people of the state woke up to the fact that they were abusing their water resources. The result of this awakening was passage of the State Stream Sanitation Act. Despite weaknesses, this law has accomplished much in the slightly more than seven years that it has been in force. Today, four of the state's sixteen major river basins are being regulated under this law. By the end of this year, four more basins will come under the regulation. Evidence of the fact that real progress is being made in this field can be seen in the amount of money being spent annually by our industries and municipalities for waste disposal equipment—an amount ranging from $10,000,000 to $15,000,000.

Other developments since 1951 show that progress has been made in the water research field. The stream gauging program is now adequately financed. Ground water studies, though still far from adequate, are being pushed—aided by the fact that the 1957 legislature raised the appropriation for this investigation from $20,000 to $40,000. The Soil Conservation Service has increased its water conservation interests tremendously. The Department of Conservation and Development has launched a river basin study to determine the availability of water. And finally, the Board of Water Commissioners, created by the 1955 legislature, has recently completed an inventory of the state's water problems and a survey of the state's municipal and industrial water use.

It cannot be denied that we have come a long way in a relatively short time, but it is equally apparent that we still have a long way to go. This fact was illustrated repeatedly this past summer and fall when the Water Commissioners carried out their county-by county problems inventory. Perhaps, the most glaring problem pointed up by this study was that of public indifference. In spite of the fact that every possible effort was made to solicit the cooperation of all 100 counties in this study, only forty-four counties responded, and I am told that Halifax was not one of the forty-four. To understand the full significance of this development, it should be explained that every state and federal agency in North Carolina with an interest in water not only endorsed this study, but participated actively in its planning and execution. Newspapers and radio and television stations gave excellent support to the study with frequent, detailed publicity.

Since the study in each county was to be initiated by county officials, the individual boards of commissioners were contacted by mail or in person at least twice and, in the case of some counties, as many as six or seven times. Detailed explanations of the inventory were mailed to each county, and personal assistance was offered to any county that felt it needed help in setting up the program. Even with these preparations, only slightly more than half of our counties showed any interest at all in analyzing their water problems, and only forty-four actually conducted studies and submitted reports for evaluation. More than one-third of the counties neglected even to answer the numerous letters they received.

Fortunately, the counties that did participate in the program were well-distributed over the state, and it was possible to obtain a fairly accurate and detailed picture of the water problems facing the state. I might also add that, while the primary purpose of the inventory was to gather information for use in long-range water conservation planning, the individual counties that cooperated have, in some instances, already benefited from their efforts. This has been particularly true in cases in which the problems reported were covered by existing remedial measures. Another place these counties may expect results is in connection with their highway-related water problems. All problems of this nature—and some counties attributed up to 50 per cent of all their water problems to the highways—were turned over to the Highway Commission. Highway Director W. F. Babcock has mailed details of all such problems to division engineers, and the engineers are currently investigating the reports at the local level. They are reporting back to the commission, and highway officials are working with the water agency in dealing with the problems.

Let us look briefly at the state's major water problems as revealed by the inventory. First, the highway-related problems. An appraisal of the detailed reports from participating counties showed that roughly 26 per cent of all problems listed were related to highways. Clearly, the most outstanding of these problems was the flooding of farmland. In just one inland Coastal Plain county (Bladen) the report indicated that more than 700 acres of cropland were flooded annually by highway conditions. Two other major problems attributed to highways were excessive erosion and siltation. The primary causes of these problems, according to the county reports, were inadequate drainage ditches and culverts, improperly placed ditches and culverts, inadequate maintenance of drainageways, and the interruption of natural drainage patterns.

Obviously, the only way to eliminate many of these problems is to eliminate the highways. Highways require roadbeds and ditches and they cannot be expected to conform too closely with natural drainage patterns. Still, many of the complaints were legitimate and they are being treated as such by our highway officials. Director Babcock has offered assurance that the Highway Commission is by no means complacent about these reports and that every means within its jurisdiction is being used to eliminate the problems.

Municipal water problems accounted for 18 per cent of the problems reported in the inventory. It became apparent from these reports that many North Carolina communities are being caught in a vise that grows tighter with each passing day. While outside forces cut sharply into previously adequate municipal supplies, the pressure from within increases in the form of soaring domestic, recreational, and industrial needs. Matters are complicated by the fact that many towns and cities have inadequate water treatment and sewage disposal facilities. This factor not only aggravates the problems within the individual community, but also brings down upon the community a heavy volume of criticism from neighboring rural interests that must contend with stream pollution. At the same time, municipal officials protest that the farmer's recently acquired devotion to irrigation has seriously depleted city water supplies—especially during the summer months when urban requirements are at a peak. Farmers counter that upstream communities use so much water during the summer that the farmer cannot find enough to meet his irrigation needs. Both complaints are perfectly valid.

If an additional complication is needed to emphasize the seriousness of the problem, it can be obtained by glancing briefly at the legal aspects of the situation. In the strictest legal sense, neither the municipality nor the irrigator has a right to remove water from a stream without returning it. The riparian rights doctrine, upon which North Carolina and most other eastern states base the settlement of water controversies, states that only those individuals owning land adjacent to a stream have a right to use the water from the stream. The doctrine further states that riparian owners may only use water for "reasonably beneficial purposes" and that these uses are limited by the requirement that the water be permitted to continue on its course undiminished in quantity and unimpared in quality. On a basis of this doctrine, municipalities, which do not qualify as reparian owners even when they border a stream, have no legal right to the water they use. Similarly, irrigators, by virtue of the fact that they do not return the water they use, have no right to remove water from a stream for that purpose, and in so doing, they violate the riparian doctrine.

This is only one of the problems reported frequently by municipalities. Inadequate sewage disposal accounted for 28 per cent of all problems listed by cities and towns taking part in the inventory. Inadequate supplies were blamed for 21 per cent of the problems, and inadequate drainage was responsible for 18 per cent of the reports. Other common complaints involved the contamination of water supplies, difficulties in maintaining adequate treatment facilities, and concern over growing urban-rural conflicts.

Among the municipalities using ground water as their primary source, most of the problems involved diminishing supplies and a lack of information to facilitate the economical exploitation of underground water. Geologists tell us that we have more water under the surface of the earth than in all our above-ground lakes, streams, and reservoirs combined. We simply do not know enough about the occurance of this water in North Carolina to take full advantage of its existence. Steps are being taken to rectify this situation, however. Plans have been approved to accelerate the ground water study program that is being conducted jointly by the Department of Conservation and Development and the U. S. Geological Survey. In addition to this, if individual counties desire more detailed information than this present study provides, it is possible for them to obtain that information by contributing to the cost of the study. Under a program endorsed only this week by Conservation and Development, the U. S. Geological Survey will not only conduct such studies in a particular county, but will match any funds that the county wishes to appropriate for this purpose. This is a particularly promising program for counties here in the east, where ground water is more abundant than in any other area in the state. Martin County has already announced plans to take advantage of this program, and I urge other counties to investigate its possibilities.

Let's glance now at irrigation—the growing practice that many of our water experts believe constitutes the state's major water problem at the present time. The problem, of course, is to provide irrigators with the water they need at a time when water supplies are normally low—and to do so without infringing on the water needs and water rights of downstream consumers. The Board of Water Commissioners has estimated that during the past summer irrigators took more than 250,000,000 gallons of water from our streams and lakes each day. Evidence of the effect this consumption is having on the state's water resources can be seen in the fact that municipalities, industries, sportsmen, dairymen, and other irrigators have, within the past year, blamed water shortages on upstream irrigators.

Add to this the knowledge that North Carolina has no effective means of regulating the installation and use of irrigation equipment and the potential seriousness of the problem becomes apparent. The only present state law relating to irrigation requires that an irrigator obtain a permit if he plans to take water from a public stream. The law provides no penalty for non-compliance, and a recent study indicated that less than a fourth of the irrigators in the state have obtained permits. It is encouraging though to note that more and more irrigators are constructing irrigation ponds, and there is reason to believe that ground water may provide part of the answer when we come to know more about this valuable resource.

I have not yet mentioned the abundance of water problems related to wildlife, and I think I should touch on this subject briefly. Better than 10 per cent of all problems reported in the inventory dealt with wildlife, and little doubt was left as to the fact that most of the blame for these problems has been placed in the laps of our cities and industries. Counties taking part in the study attributed 34 per cent of all wildlife-related water problems to pollution from these two sources.

Siltation of streams, lakes, and ponds was listed as a major factor in 18 per cent of the problems, and it seems reasonable to assume that this condition was a contributing factor in many cases where industries and cities were blamed exclusively for the loss of wildlife.

The growing importance of insecticides on the farm must also share in the blame. In all but one or two of the forty-four counties participating in the inventory, there was at least one instance in which fish had been killed because of carelessness in the application of insecticides. Cotton poisons appear to have been the most lethal, while private ponds and low-flow streams seem to have been the hardest hit.

Still another item of considerable concern among sportsmen is the effect that the steadily increasing use of water will have on wildlife. While only a few counties listed this as a current problem, many said they anticipated it in the future. This problem of decreased stream flow is considered particularly serious in that the heaviest demands are placed on water supplies during the summer months when those supplies are normally low and an abundance of water is needed to maintain suitable conditions for aquatic life.

These, of course, are not all of the problems confronting us in the water conservation field. They are sufficient, however, to point up some of the major barriers that must be overcome in the very near future. As I see it, North Carolina's "water problem" is this: It begins with the obvious fact that in the past we have not given sufficient time to long-range planning that would take advantage of our natural abundance of water. This has resulted in a growing number of conflicts among water users as demands increase and supplies decrease. And, finally, our existing water laws are antiquated, unrealistic, and in drastic need of revision.

The laws under which we operate today were developed at a time when there was more than enough water for all purposes and the development of these resources was left up to individuals. Except for the courts, which settled individual disputes on a basis of merit as they arose, the state displayed little interest in water. As a matter of fact, it was not until 1955 that some attempt was made to alter the state's obsolete water laws. The legislature did not accept the recommendation made by a study commission but did, however, create the Board of Water Commissioners and assign it the monumental task of developing an all inclusive long-range water conservation program for the state.

The seven-man board, backed by a sixteen-member advisory committee, decided on a three-phase program for gathering the information that would be needed in formulating an effective long-range plan. The board set out first to determine the quantity and quality of the state's water resources. With the enthusiastic cooperation of other agencies operating in this field, this phase of the program was completed in November of 1956. Next the board embarked on a survey of industrial and municipal water use to determine the adequacy or inadequacy of present water supplies and to provide a basis for projecting future needs. This study was completed early this year, and the great volume of material collected is being evaluated at this time. Last summer the board initiated its problems inventory, which I have just discussed. Each of these programs has yielded tremendous quantities of previously unavailable information, making it possible for us to face the present challenge with a greater degree of confidence.

At the present time all of this information is being summarized and evaluated by the water commissioners and other appropriate agencies. It is expected that within the next few months these activities will produce a variety of recommendations aimed at minimizing the threat posed by the problems we have discussed. Just what form these recommendations will take cannot, of course, be predicted until the present appraisals have been completed. I have been assured, however, that no final decisions will be made until the tentative recommendations have been widely publicized and the people of North Carolina have had an opportunity to voice their opinions on the proposed changes. This, I am told, will be accomplished through a series of public hearings. It will not be until after these hearings have been completed that the recommendations will be placed in final form for submission to the legislature.

The important thing for you to realize now is that the present challenge cannot effectively be met by a single group of men gathered around a table in Raleigh. Regardless of the competence and dedication of such a group, the eventual success or failure of any program affecting such a variety of interests will depend upon the willingness of each group to cooperate in attaining an end result that will be beneficial to all. I hope that legislators and other leaders will offer any advice that they feel would help. Every person in North Carolina must come to realize that we are blessed with an abundance of water if we conserve it and keep it clean.

Our present challenge is to face this problem together with mutual trust and collective determination. With this type of cooperation the challenge can surely be met.

Thank you.

ADDRESS AT PAN-AMERICAN WEEK OBSERVANCE LUNCHEON

RALEIGH

April 19, 1958

[Good neighborliness was the Governor's theme in this address delivered at a luncheon held at the Raleigh Woman's Club and attended by Latin American students in Raleigh and nearby colleges and universities. The event, a feature of Pan-American Week, was sponsored by a provisional committee headed by Dr. J. Leon Helguera of North Carolina State College. Adjutant General Capus Waynick, former United States ambassador to Nicaragua and Colombia, served as master of ceremonies.]

Ladies and Gentlemen:

This week has been Pan-American Week in North Carolina, centered around April 14, which is Pan-American Day. We have elected to observe the entire week as a period dedicated to promotion of Pan-Americanism, which seems to me to be nothing more nor less than good neighborliness. More and more we realize the importance of our being good neighbors in a troubled and somewhat fearful world. The solidarity of the nations in the Western Hemisphere is vital if we are to preserve the freedom which our forefathers came from the Old World to establish in the new.

For many years the twenty-one republics in the Western Hemisphere have had their own League of Nations. The Organization of American States has worked so well that all efforts to liquidate it— and some powerful efforts have been made to that end—have failed.

When representatives of the nations of the world assembled to consider the formation of the United Nations, the idea was injected in the gathering that the American republics were dominated by the United States in this regional organization. Some charged that there was a lack of democratic process and of true freedom in the functioning of the OAS. As a matter of fact, the United Nations to this day have not attained the degree of democracy that is regnant in the Organization of American States.

In the latter, each nation's vote is equal to the vote of every other nation, and a majority controls. We still have in the United Nations a differentiation between the great powers and the small nations. We still have the veto by the mighty. We still lack majority rule.

So when a suggestion was made that the Organization of American States be liquidated and submerged in the greater international organization, with one accord the American republics repudiated it, defended their historic set-up and retained it as a regional device for defense of peace and the promotion of the common welfare.

Political devices, even when they are good, are not sufficient to insure the peaceful living together of people in a continent or a neighborhood. We need the effect of better understanding among the people of your country and of mine at all levels—not merely at the political policy-making level.

That is why as governor of this state and as a believer in the importance of Pan Americanism I am gratified that more and more young men and women of our countries are getting to know each other. You are attending our educational institutions, and we are attending yours in increasing numbers. You are showing a new interest in our culture, and we are developing a new understanding and admiration for yours.

The presence in this state of a goodly number of Latin American students is important to North Carolina and to all the United States in furtherance of relationships which promote hemispheric solidarity.

We, here in North Carolina, are proud of our heritage and our accomplishments. There is much of the history of America written into the soil of this state. Only last week, I traveled to Halifax—some fifty miles east of here—to participate in ceremonies marking the issuance of the famed Halifax Resolves on April 12, 1776. These Resolves, as many of you undoubtedly know, represented the first official act by any of our thirteen original colonies in which men openly defied the British crown and called for war if necessary to bring about their independence.

Further to the east—on Roanoke Island—we perpetuate the memory of the first English colony ever to settle in the New World and the first child to be born of English parents in this country. The English were not the first to come, however. More than half a century earlier, in 1524, the Florentine navigator, Verrazzano, sailing for France, explored our coastal area. In

1526, a Spanish expedition, led by D'Ayllon, failed in an attempt to settle the same area. Many reputable historians believe that our famed Lost Colony was lost, not to the Indians, but to later Spanish expeditions in the Roanoke Island area. So you see our histories have more in common that is generally believed.

North Carolinians are justifiably proud of their history, but they have never been accused of living in the past. We have pioneered in many fields and although we are basically an agrarian people, we have never been insensitive to the value of education and cultural development. The University of North Carolina, chartered in 1789, was the nation's first state university. We have never ceased our efforts in this field, and today we have not only a fine public school system but some of this country's foremost private institutions of higher learning.

The same kind of spirit has caused the state to move forward energetically in health activities, organizing one of the first health boards in the nation, which now ranks as one of the half-dozen best departments in the country. It has stimulated rapid and encouraging strides in the last decade in the handling of our mentally ill. The mental hospitals of North Carolina—the first of which was begun in 1849—are no longer custodial barns, but are modern and scientific institutions working to liberate the human mind from its illness and return the patients to their loved ones and to society.

In the cultural field we in this state have dared to violate stuffy traditions in our eagerness to bring the true meaning of culture to all our people. Our North Carolina Symphony Orchestra has pioneered in the unusual procedure of touring the length and breadth of the state, carrying the wonders of music to our farmers and factory workers and to the citizens, and especially the children, of our many small communities. Similar tours are made each season by our tremendously popular Grass Roots Opera Company, which has no aversion to staging "Carmen" in a baseball park or a barn just so long as the beauty of this medium is made available to more and more of our people.

Less than two years ago, the citizens of North Carolina startled the art world by establishing a State Art Museum. Our legislature appropriated $1,000,000 of our taxpayers' money for this purpose, and the move was enthusiastically endorsed by the people of the state. It was the first time such a thing had ever been done in this country, and our people are proud of the fact that they had the audacity that the deed required. This museum, which now houses art treasures valued at more than $2,000,000, is located just half a block from our Capitol, and I invite all of you who haven't visited this fine facility to do so at your earliest opportunity.

Sometimes I think that we in the United States have less understanding of you than you of the other Americas have of us. We are inclined to be a one-language people. You are accustomed to breaking down the language barriers to understanding by learning your neighbor's language. The percentage of educated Latin Americans who can speak English is much larger than the percentage among us who can speak Spanish or Portuguese.

It is my hope that this barrier to communion will be largely eliminated in the near future through wide-spread study of the Latin American languages by the students in our high schools and colleges. The language barrier is not difficult to surmount, if this course be followed.

As governor of North Carolina I want to express a cordial official welcome to every Latin American who has come or will come to study among us. I am confident that the ties that bind us will be strengthened and the consciousness will grow that we have many problems in common, many basic objectives in common, and that we must look forward to a common destiny. I have visited just about all your countries and have a warm spot in my heart for you and your people.

The coming to the Americas of Europeans is a relatively recent historic event. It began with the establishment of Spanish-speaking and Portuguese-speaking colonies. Your Latin American cities are older than our North American cities. The oldest one we have in the United States was founded by the Spanish. You have cities that were planned and carefully laid out within a very few years following the discovery of the Western World, and they outdate ours by a century or more. You have educational institutions older than ours, and you have a distinct rich culture that derives, in part, from your interesting Old World ancestry and, in part, from your experiences in the Western World.

To some extent we have been shut away from each other. Your young people of families able to stand the expense have been sent to European rather than to North American universities, and in the past most of your international social contacts have been with the Old World rather than with your northern neighbors in the New World.

This custom of the past is changing. More and more of the future leaders of your countries are being educated partly in our institutions. This will mean closer contacts, and it should lead to the best kind of cooperation for building up the Western World to maximum strength and beauty.

There are great substantial reasons why the increasing friendship among the American Republics must be promoted. Some are obvious good business reasons. Until the middle of the present century the English speaking people in the Western World outnumbered those who spoke the Latin languages. In 1950, the two groups came abreast in numbers, and census specialists predict that you Latins will now forge ahead and become much more numerous in the next half century than those of us who are of the English speaking branch of the family.

These experts predict that by the year 2000 the Latin speaking people will outnumber the English speaking in the Americas by at least two to one. They predict 250,000,000 English speaking inhabitants and 500,000,000 to 512,000,000 who speak Spanish and Portuguese.

Several reasons are given for this expectation. The Latin birth rate is higher than ours. Health and sanitation programs have improved areas where conditions in the past kept the death rate up and the population down. Control of endemic diseases has improved. The appeal of the rich, under-developed portions of Latin America to European immigration is strong, especially since several Old World empires have collapsed.

So through the birth of more people, the protection of the health and lives of those who are born, and through the flow of people from the Old World looking for new opportunities, the Latin American population is expected to increase very rapidly.

Looking at present conditions in Latin America and the prospects for the future, my country would be shortsighted indeed if we did not recognize the opportunity as well as the responsibility for doing everything possible to promote the full economic development of our neighbors.

For some time now Latin America has been the second best customer for our goods in all the world. Next to Canada and the United Kingdom, the Latin American republics have bought more from us than any other great division of the peoples of the earth. Therefore, we must recognize even now the mighty significance of the neighborhood as a market place. What it can become is fabulous in market terms.

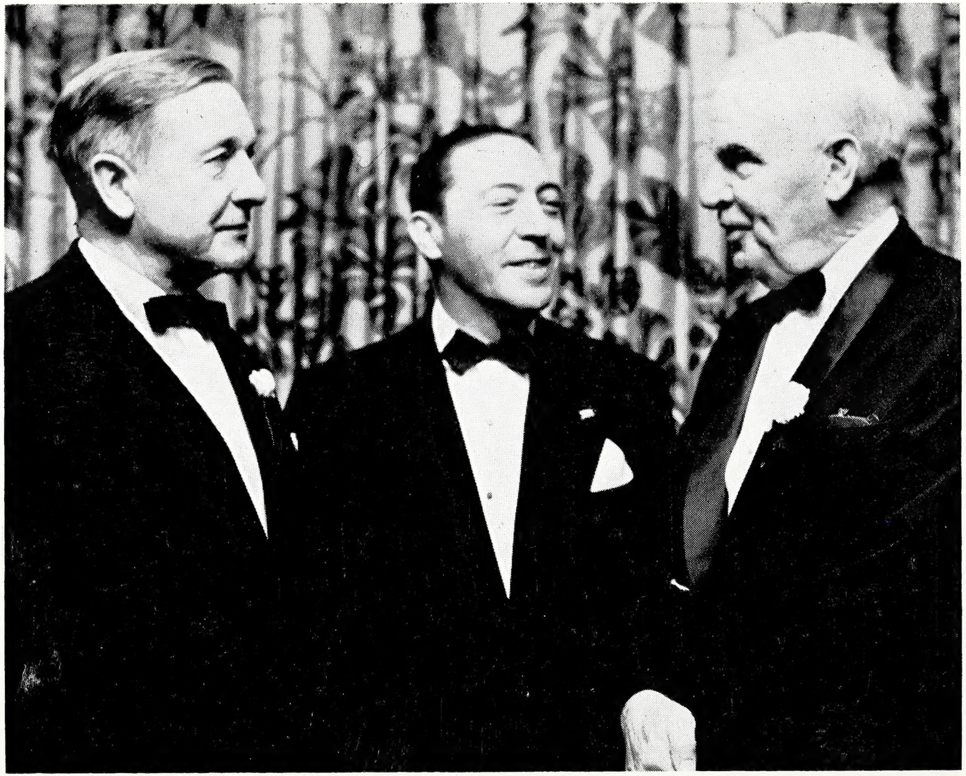
Furthermore, Latin America's immense natural resources challenge our country to help in their conservation and development as a source of the raw materials for our own unprecedented manufacturing. This is emphasizing our self-interest point of view, and in all frankness it should be emphasized. None of us is interested in any approach to our common affairs except as equals in cooperation for mutual benefit.

I am pointing out some conditions that exist and others which may be expected to come into existence to suggest that there is a natural basis for the democratic friendship that exists among the American republics, a friendship among equals with substantial interests in common and not a friendship between the exploiter and the exploited.

I realize that I am talking to young Latin Americans in this audience who will have great influence on the policies of their own countries in the future. You will help to determine the future character of Pan-Americanism. I realize that the audience includes also some North Americans who perhaps have better than the average understanding of the importance of friendship among the American republics, but who can do more to promote understanding and friendship. My appeal to all is for a concern for contacts which will lead to greater cooperation for the common good. North Carolina is glad to have our visitors here, and it is my earnest desire to make that apparent. We are proud to have you among us.

All of us should help to promote good neighborliness. There can be no encouragement in the future of the American republics for unscrupulous business dealing. Diplomacy or business that seeks an advantage for one party at the expense of the other is rarely successful over the long range. In the modern world the

Governor LeRoy Collins of Florida and Governor Hodges at the annual Jefferson-Jackson Day dinner in Raleigh, February 1, 1958.



News and Observer Photo

Governor Hodges with Charles G. Tennent *(left)*, president of Rotary International, and Jose R. Chiriboga *(center)*, Ecuadorian Ambassador to the United States, at a Rotary Club banquet in Raleigh, February 13, 1958.

man or the nation that would exploit his neighbor must be doomed to failure. The time has passed when that kind of thing could succeed.

The business and even the political relations among our Western World countries have not always been as we would like to have them. There have been instances of both business and political exploitation which built up hostilities. We must look to the future of cooperation for the common good of all and not for the special benefit of any man or country.

There is a suspicion in some quarters that the United States would like to keep down competitive enterprise in its neighboring countries. Perhaps some people would like to do that, but most of us know we cannot hope to have a prosperous neighborhood unless all the neighbors share in the profits of cooperation. We have learned that it is more desirable to do business with a rich neighbor than with one who is not prosperous.

For some time Latin America has bought from the United States about $4,000,000,000 worth of goods yearly. That has been about one quarter of our total export. If Latin Americans were able to buy from us at the same per capita rate at which Canadians buy, we could sell not $4,000,000,000 worth, not the $16,000,000,000 worth of our total export, but double that amount to Latin America alone. There is little profit in trading with countries that are not prosperous.

I want to see the economies of the American republics well enmeshed. I want to see North American capital used lavishly in helping our Latin American neighbors to develop their own economic power. The relationships that are being established now by those of you here who are studying for business or professional careers can be of the very highest importance in bringing into being a condition of general prosperity and strength which should characterize the western half of the world.

We can build a culture of our own, a power of our own, and we can protect human freedom and righteousness for which our ancestors made sacrifices. We owe to history, even as we owe to the youth of the present generation and to the future, application of all our energies to the kind of cooperation that will make the New World the great example of how men should live together, and how in living helpfully together, all can have a more abundant life.

Pan-Americanism is rooted and grounded in a democratic concept and a pattern of matured experience which gives it strength. I deem it highly important that young citizens like yourselves should acquire a deep knowledge of the nature of the international organization of the Americas. I particularly urge your study of the spirit with which my own country has cooperated with the other Americas in recent years.

I ask the privilege of presenting to you now a concept of the character of the United States of America and its international role which comes from a Latin American who, in my opinon, should be included in any list of world statesmen of the first order. My reference is to Dr. Alberto Lleras, of Colombia, the former secretary-general of the Organization of American States.

In discussing the United States as a member of the organization, Dr. Lleras dealt with the reasons why the American republics declined the suggestion that the OAS should be dismembered when the United Nations was set up. He said that all nations should study the part the USA has played in dealing with its neighbor republics in recent years. He described it as "worthy of serving as a model and inspiration for any association of nations."

Dr. Lleras states that there are certain prejudices brought forward from the past that sometimes confuse judgment. He said, "The strongest and most deep-rooted of these prejudices was the notion that the American organization is the tool of North American imperialistic policy."

"It would be worth the time of anyone who still believes in that prejudice," Dr. Lleras added, "to have looked into the cause for the stand by the twenty Latin American republics who unanimously declined to destroy the OAS but who proceeded to strengthen its ties."

This same authority, this great Latin statesman, referred to the fact that, "We hear it said that the United States lacks experience in international affairs, lacks a definite foreign policy and good judgment in the management of its relations with other countries." He added, "The fact is, however, that in that section of the world in which the United States has had occasion to work out its international course over the longest period of time and under normal conditions it has produced a genuine masterpiece." I continue a quotation from Dr. Lleras as he added,

> In the inter-American dealings of the USA are to be found intelligence, elasticity, self-control and tact, and the courage to promote ideals without fear of the consequences. Because the difficult thing for a great power to do is to refrain from using its strength, substituting reason for force, without forfeiting its prestige. The inter-American policy of the United States has not merely provoked no resistance; it has been accepted with enthusiasm by other nations. It has been worked out in close cooperation with the twenty other states that are members of our Organization, and if the rest of the countries of the world really wanted to know what the ultimate objective of the United States foreign policy is, they need only examine the commitments this nation has made in the Organization of American States and its behavior since 1933 in this part of the world where every development can vitally effect its own interest and its own security.

I submit this testimonial of our great Latin neighbor to the character of my country and urge you to study the record and reach your own conclusion as to the importance of the further development of both our political and economic relations that will strengthen the Western World. I am convinced that the economic relations are basically the more important of the two categories. I am of the opinion that working together we can make the Americas flourish and blossom in greatness and beauty. I think it is our reasonable responsibility to do this as well as our high privilege.

In the practical aspects of our cooperation, the USA must be aware of the importance of extending investment capital to the other republics where the need exists for it. At the present time the government of the United States is giving prolonged and profound study to the "formation and flow of capital" for this very purpose.

Let me give you an illustration of how economic cooperation can work in the Americas. You probably know that a great North American firm, Sears-Roebuck, has opened a number of large retail outlets in Latin American countries. This company's program for extension of its sales into Latin America is especially well advanced in Brazil.

Recently the official of the company who had directed this experiment was asked to what extent these great stores served as outlets for North-American made goods. The enquirer thought they probably dealt primarily in our own production. He was surprised when the official told him that 95 per cent of the sales in Brazil were of products made in Brazil.

This means that the company's policy was to promote production of the articles it could sell and promote that production in the host country. Thus jobs were made and buying power increased. It is the kind of policy that must be pursued in the economic cooperation to which I have referred. Capital invested in any country should be primarily for the promotion of the well-being of that country. It is the new concept of social righteousness which increasingly prevails in our economic system.

You younger men to whom I speak today will play important and probably dramatic roles in the era of progress that I see ahead of all our countries. I submit to you that the recent history of my own country during which we have won several wars without exacting any tribute of land or money but, on the contrary, have used our own resources to help restore economic conditions in the very countries that opposed us, is assurance that our cooperation with you will be in a true sense good neighborliness. We want the American community within our own borders and within the borders of other republics to be a good community, and, working together, we can realize the finest dreams of our forefathers and the dedicated patriots of the present day.

ADDRESS AT A SPECIAL CONFERENCE ON PLANT LOCATIONS SPONSORED BY THE AMERICAN MANAGEMENT ASSOCIATION

NEW YORK CITY
April 25, 1958

[Governor Hodges was the only governor taking part in this conference, which he attended in the course of a two-day industry-hunting trip to New York. Speaking on the subject "The State's Responsibility in Planning for Future Economic Growth," he advertised a number of opportunities existing in North Carolina for the location of new industrial plants within the state. As on numerous other occasions, he dealt especially with the new corporation tax formula adopted in 1957 and the facilities of the Research Triangle which was being developed in the Raleigh-Durham-Chapel Hill area.]

I deeply appreciate this opportunity to share in your program here today, and to have a part in the discussion of a most fascinating subject—"Planning for Future Economic Growth." As a man with more than thirty years experience in manufacturing and selling, I am well acquainted with the AMA and its outstanding record of service to industry, business, transportation, communications, and finance. Your conference program is most impressive and I am deeply honored to have this invitation to join with these other speakers in talking about matters of mutual interest, especially the welfare of our respective states in this great nation.

All of my life I have had more than a normal share of curiosity about the future. It always seemed to me that a person should attempt to look beyond the horizon, if possible, to see what is ahead. This is a habit which I acquired early in life in the textile industry and a habit which I carried over many years later into government and politics. In the textile business, I found that planning ahead resulted in a better understanding of new problems and new trends and helped me tremendously in decisions which had to be made.

From my first day in office as governor, I established a "Looking Ahead" file and asked the chief department heads in our state government to give me some idea of what they anticipated would be their needs and major problems in 1966—twelve years away! As you might expect, the request came as somewhat of a surprise to the department heads who had been traditionally basing their estimates and needs on the next biennium only. Many of the answers furnished surprises to those giving them, but more important, the request was a stimulant to further forward planning in our state agencies and departments.

There has never been much doubt in my mind that a state government should and must take a direct responsibility in planning for its own future economic growth. Despite all the talk about a "welfare state" and a centralized federal government, North Carolinians have always found that we are more interested and more concerned about our own problems and our own future than anyone else. In the long run, we have also found that we are better equipped, in most cases, to tackle our own problems with our own talents, energies, and solutions.

All of this is by way of explaining that a governor beginning a new administration soon finds that most every program he would like to suggest for the benefit of his state will cost substantial amounts of tax revenues. Whether his program involves public education, higher education, health, welfare, roads, or better farm marketing, there must be sufficient tax revenues to make these programs possible. So if the governor in question thinks at first he is not too concerned about the economic realities of life, he soon finds that he has no choice other than to attempt to do something about these economic problems, as best he can.

For a number of years, I have been deeply concerned about the status of our per capita income in North Carolina. Our state has managed to remain too close to the bottom of the list in per capita income rankings. This is not a problem peculiar to North Carolina alone, but harasses most of our southern states. In 1940, North Carolina had a per capita income of $328, as compared with a U. S. figure of $595. In 1956 North Carolina's per capita income had risen to $1,305, but the U. S. average had increased to $1,940.

It should be understood that any state must make its plans and its programs which are realistic in view of the national trends and the states' relations to the national economy. While I firmly believe that most states can and should do more for themselves, we cannot avoid the close relationship between a state's economy and the over-all economy of the nation, as well as the world. Each state has gained tremendously during the past half century as the United States grew rapidly from a relatively new nation in terms of economic development into an economic giant which now accounts for nearly half the industrial production of the world.

Each state must also relate its plans to what it has to work with, and especially to its natural resources such as agricultural products, minerals, oil, timber, etc.

In this regard, I would like to quote briefly from a summary of "A Mid-Century Look at Resources":

> In the period 1900 to 1950, we have used up 40,000,000,000 barrels of petroleum, 26,000,000,000 tons of coal, 3,000,000,000 tons of iron ore, 33,000,000 tons of copper, 26,000,000 tons of zinc, and 22,000,000 tons of lead. The amount of copper, lead, zinc, and oil taken from the ground during the past fifty years is considerably greater than present known reserves. Since 1900 our total consumption of agricultural products has increased two and a quarter times, and our consumption of minerals, including fuels, six times 1900 totals. By 1950, as compared with 1900, we were taking from the earth two and a half times more bituminous coals, three to four times more copper, iron ore, zinc, twenty-six times more natural gas, and thirty times more crude oil.
>
> To meet timber requirements, millions of acres of forest lands have been cut without enough attention to regeneration. Agricultural lands have been mined of fertility and often seriously impoverished in the effort to produce cash crops or to meet the expanded needs for products of United States farms during the war and immediately thereafter. In many parts of the country the thirst of modern industry and the demands of irrigation and urban living have put heavy pressure on supplies of fresh water.

All of these facts raise serious questions about the future of our national economy, and each has a direct effect on the respective economies of the several states.

Despite these serious resource problems, as well as the present troublesome recession, economic experts still predict a continued improvement in national economy for the future. *Fortune* magazine has estimated that the average American family unit in 1980 will have a spendable income in excess of $8,000. The present figure is $4,400. Moreover this average income will be earned, the magazine predicted, in a work week of only thirty-five hours as compared with today's forty-one. Against these facts, each governor will naturally look to his state and wonder where it will be in 1960—1970—1980. I can assure you that we are doing everything we properly can do to make certain that North Carolina will see an improvement in its per capita income. By 1970 North Carolina should equal the United States' average.

Sound economic growth would be virtually impossible without sound and effective government at all levels. This is especially true in state government where leadership is so vital in the legislative, executive, and the judicial branches. We have been fortunate in North Carolina in having a very stable and progressive state government for the past half century. I am confident that this record of efficient, honest service must deserve a great deal of credit in what our state has accomplished so far in economic growth. There is also more involved here than a balanced budget—important as that is—or regulations and legislation. There is always a need for enlightened leadership on the part of the governor, the major department heads, and the many advisory boards and commissions which serve the state in so many different capacities. State government, through its many agencies, departments, institutions of higher learning, etc., touches every segment of our economy. Yet, often we find that there seems to be little awareness on the part of these state agencies of the real potential they possess in helping our state move forward. Too often a state agency can and does restrict its vision and its planning to the daily requirements immediately ahead. It becomes too often a stifled beauracracy.

In recent years there has been a growing realization of the tremendous value of modern, productive industries. Municipalities, counties, geographical areas, utilities and other service industries, and state government have gradually entered into various programs, designed to attract and hold industry. At the same time, there has been a wide dispersing of industrial plants throughout America. Much of this came about in the normal expansion and decentralization of growing industrial companies. The larger companies also discovered that good transportation facilities, good communications, and rapidly expanding markets offered greater opportunity for new plant locations outside the major metropolitan areas of the North and East. Competition among the states continues to be terrific, of course, and some of our good neighbors in the South and elsewhere have made some rather unusual offers to new industrial prospects which we in

North Carolina could not and would not match. We believe that the best corporate citizens want to pay their own way and be treated fairly. We also know from experience that good corporate citizens want and expect to pay for the same necessary governmental services which are needed, as do all the citizens.

Most states have a coordinating agency or department which has the responsibility for conserving and developing natural resources and industrial development. In our state we have a Department of Conservation and Development which is set up for the purpose of encouraging our own people to help themselves through every chamber of commerce and industrial group, area development organizations, every branch of local government, and all available citizens working together to obtain the best possible results. This department has a state-wide viewpoint and attempts to sell new industrial prospects on the state as a whole, without reference to a specific geographical location.

Once the prospect reveals his requirements and indicates any preference, then our industrial development engineers go to work to meet these requirements through contacts at the local level. I cannot emphasize too greatly the importance of local contacts and local selling for new industries. We believe that no one can tell their own story as well as the local leaders of the community. To emphasize this point, we have conducted regional industrial development conferences throughout the state which have met with remarkable success.

Just as those of you who may want to expand or disperse your plants will make a location survey, either within or without your own firm, so do we encourage surveys in our state. We urge localities to have surveys made of what they have to offer. Right now we have a state-wide survey planned of need for manufacture in the state of electrical parts and components for our fifty plants in this field.

In industrial development, it is generally recognized that the most important requirement of all from a community standpoint is the *attitude* of the people in that community toward the industry they now have and the industry which they may receive. The community's attitude is frequently reflected in how they have treated the industry they have, what facilities have been provided for recreation, education, and other purposes, what they say in their local newspapers, and how local government treats an industrial taxpayer. Please remember that these are all factors over which the state has little, if any, control. Yet, all have a tremendous bearing upon the success of the industrial development for the community involved and the state as well.

As management people, you are well aware of the close interrelationship between taxes and economic growth and the effect of taxes on the investment in business and the flow of commerce. This was an early problem which I had to face in attempting to build new interest in industrial development for our entire state. From all sides, we heard criticism that our old allocation formula for multi-state corporations was harsh and drastic and placed us in a position of having to tax unfairly businesses which operated in more than one state. After careful study of the situation had been made by a competent commission of distinguished private citizens, we presented to our legislature a program of tax modernization which attempted to deal as realistically and as honestly as possible with the facts involved in the situation. The 1957 General Assembly debated the program in great detail and then voted overwhelmingly in favor of a tax modernization program which places North Carolina in a strong competitive basis with neighboring states in dealing with new industrial prospects from a tax standpoint.

There is no doubt that this action by the General Assembly made a national impact on the world of commerce, business, and industry. At a time when most states were raising taxes across the board, North Carolina moved to adjust its drastic tax formula for multi-state corporations and at the same time continued to provide needed state services. It reduced taxes for corporations by an estimated $7,000,000 a year. The dramatic action of the General Assembly has given us new life in attracting national attention from major industrial prospects, and we expect to utilize this advantage by continued progressive growth throughout North Carolina.

How can such a program be installed in your state? Well, I have never believed too much in educating our competitors, but there is really no secret involved at all. It merely takes leaders, with vision enough and courage enough to examine objectively your state's economic future, who will then get the facts through an able group of public-spirited people so that a reasonable proposal can be made to the General Assembly. There is always the possibility, of course, of strong criticism and political charges being made about giving tax advantages to the large corporations. Our tax modernization program actually touched many people other than corporations and was designed to modernize not only the old allocation formula but a number of other tax statutes.

Most people today realize that productive industries mean jobs, payrolls, economic opportunity, and tremendous new markets for suppliers, personal services, etc. If handled in an open and honest manner, I believe that sensible tax reforms for industry, agriculture, individuals, or anyone else can be handled successfully and effectively. Each state has its own fiscal problems and would have to view every suggested change in the light of total budget needs. It is important also that industries in the state cooperate wholeheartedly with such a program rather than seek to find selfish advantage for themselves as individual companies. Tax statutes should always be geared to existing business conditions, and only through continued study can discrimination against certain economic groups be prevented. Old established companies should always be treated fairly.

The eventual success or failure of any state revenue program will always rest upon its administration in an equitable and fair manner. These two words—*equitable* and *fair*—must be the guide for modern tax administration. Such a policy must be understood by the general public, also, if any tax program is expected to succeed. This is very important!

In connection with plant location problems, we still find that some management people attempt to compare the tax laws of various states without compiling and comparing the total "tax package"—state, county, and city taxes. We found this was true because North Carolina finances the major portions of public schools and highways on the state level, while many of our neighboring states do not. North Carolina pays the entire instructional cost of a standard, nine-month, twelve-year, public school system, and every child in every county has equal facilities in this respect. Local school districts, however, in numerous instances, supplement this minimum. Our state highway system covers more than 70,000 miles of highways, and there are no county-supported or county-operated roads.

State governments generally are under tremendous pressure from their citizens for expanded basic services, as well as many new services. This is true wherever you go in America today. People are asking for more and better schools, better roads, more adequate water and sewage systems, more hospitals and clinics, more effective state institutions of higher learning, better marketing facilities for agricultural products, improved regulations and inspections on building practices—to mention just a few of the demands. The legislature of each state must make the basic decisions as to what services will be expanded and how the money will be provided through tax revenues. Many states which have proudly boasted of great tax advantages over their neighbors are now having to find ways and means of raising new revenues. The cries of anguish in these states—especially from recent new industrial citizens—are painful to behold.

Taxes are an important factor in any plant location, of course, but governmental services are important, too. If these basic services are not provided when you move in, it is a safe bet that they will be instituted in the near future. What you want to look for is a sound, progressive state government which operates on a balanced budget, but remains responsive to all the genuine needs of its people and its economy.

Public education is an important example of a governmental service which is a "must" anywhere you may locate. How good are the local schools? How much community support do the schools have? What can your children and your employees' children expect in the areas of fundamental learning? By this I mean that learning which is of great value in the development of the individual regardless of his choice of livelihood. It is important, of course, that we have skilled labor for industry, for agriculture, and for thousands of occupations and professions, and adequate provisions must be made for these. But technological skills can best be acquired by those who have solid foundations of learning in fundamental areas. Furthermore, the intellectual discipline and perspective attained by a genuinely learned person makes him a more responsible citizen, a more rapid learner in any occupation or skill, and a more adaptable person for changing conditions. In short, one educator has said that if our education prepares us for *unexpected* situations we have no need to be too much concerned about our ability to meet *expected* situations.

We in North Carolina are very proud of our public school system, and its 1,000,000 school children. We believe in public education—whether graded schools or state universities—and have supported it to the best of our ability. But we also believe that our students must make a genuine effort to become educated, because actually the state cannot "give" an education to anyone. It must be earned by diligent study and scholarship. What we want to provide is the priceless *opportunity* for our youth to learn.

Whenever the subject of plant location is discussed, there is always much said about the value of people as a state's resource. People—whether as employees, neighbors, taxpayers, suppliers, customers, or dealers—are important. How much do you find out about the people of a community under consideration—or the area involved—or the state? You have reams of material on markets, power rates, rail facilities, labor costs, etc., but what do you really know about the people who will be directly or indirectly affected by your plant location? Not enough, I'm willing to wager.

Since North Carolina is my favorite subject, I can tell you something about our people and what you can expect from them. There is a basic simplicity in our state that stems from early Colonial days when North Carolina was just one of a string of thirteen backwoods colonies strung along the Atlantic seaboard. Thanks to our fierce Outer Banks (Hatteras, for example), North Carolina was not settled from the seas as Virginia and South Carolina were. It was settled second hand from its neighbor states to the north and south, and most of these settlers were small farmers looking for their own land and opportunity. We did not develop either the urban life or the big plantation system—for better or worse—to any extent like many of our neighbors.

William T. Polk, one of our North Carolina writers, had this to say about us:

> There was more of isolation and homogeneity, less of caste and culture in North Carolina. So Tar Heels adopted the somewhat invidious

> motto "Esse Quam Videri," and took perhaps excessive pride in referring to their state as "a vale of humility between two mountains of conceit." we were mighty proud of not being proud.
>
> We did, however, in such a historical setting become independent, courageous, resourceful, democratic, gregarious, and individualistic, although we would use plainer words than these Latin words to describe ourselves.

Whatever the reasons, we do have a people noted for their sturdy independence, their sense of value, and their willingness to give a fair day's work for a fair day's pay. This has certainly contributed to the excellent "industrial climate" in North Carolina and our favorable labor relations. According to the U. S. Department of Labor, the number of mandays idle from work stoppages arising from strikes in 1956 (the last year available) in North Carolina totaled only 0.9 per cent of those for the nation as a whole. This record appears even more favorable when we take into account that the state has around 2 per cent of the total labor force of the country to which figures are applied.

In closing, I would like to tell you briefly of how a state can develop a major research facility through remarkable cooperation and coordination of three major institutions of higher learning, three cities, state government, and many individuals. This is the result of the vision, imagination, and hard work of many people. It represents the kind of enterprise and spirit I know that you seek wherever you may go.

Three of the outstanding institutions of higher learning of the country, the University of North Carolina at Chapel Hill, North Carolina State College at Raleigh, and Duke University at Durham, are conveniently grouped in the shape of a triangle. This is the source of the name—the Research Triangle. Together, these institutions constitute a concentration of research people and facilities that is unique in the South and of special significance in the nation.

The facilities of these institutions—two state and one private—have been pooled voluntarily and are operated in cooperation for purposes served by the Research Triangle. Already, more than $7,000,000 is budgeted for organized research at the three institutions; 850 research people are on the combined staffs; and combined library facilities amount to more than 2,000,000 volumes.

Within recent months, a 4,000 acre research park has been established near the center of the Triangle. This area will be available for the construction of public and private laboratories. These will be able to develop their own research facilities within convenient reach of the extensive staffs of the three institutions which may be used for consultation. A point near the center of the Triangle is within approximately a fifteen-minute drive of either of the three campuses. Looking ahead ten to twenty years, we are enthusiastic about our future in research.

I firmly believe that state government does have a definite responsibility in planning for future economic growth, and should use its powers wisely and in the interest of the entire state. Much can and must be accomplished through persuasion and "selling" rather than too much emphasis on regulations and restrictions. Government officials should work closely with all parts of the economy and strive to understand the problems facing industry, business, agriculture, etc. Constructive ideas should be encouraged from any source—whether farmers, businessmen, state employees, educators, editors, or others. Proposed programs should be exposed to the examination of many keen minds. Above all, credit should be fully given to all who have had a part in the goals achieved. I have always said there is plenty of credit to go around. Let's use it!

These are not brand-new suggestions fresh out of the package. We have used them often and found them workable and capable of getting results. Modern management can do much to help state government in operating efficiently and effectively. Industrial managers should set aside enough time to learn more about government and politics—the art of government. One of our great problems today is the lack of qualified men and women from industry and the business world who are willing to devote part-time or full-time service to government. There are worlds of challenging jobs waiting for you now or in the future when you retire and still want to remain active. As you know, industry is retiring some of its most valuable talent each year and government service should be a natural location for many of these people—especially on the multitude of voluntary, non-pay boards and commissions which actually make the policies for our governmental agencies and departments.

It has been a pleasure to share in this great program. Thank you for your kind attention and your interest in what I have had to say. We, in North Carolina, welcome you as a visitor, as a new neighbor, as a retired person, or as a prospective industrial employer. Please let me know if I may be of service at any time.

Thank you.

ADDRESS TO A GROUP OF INDUSTRIAL AND TRANSPORTATION LEADERS

CHICAGO, ILLINOIS
April 30, 1958

[Immediately following a two-day visit to New York, where he spoke on April 25 (pp. 349-360), Governor Hodges went to Washington and there joined a group of members of the Board of Conservation and Development, other state officials, and North Carolina businessmen, about sixty in all, headed for a week of industry-hunting in the Chicago area. During this period the Governor made television appearances, interviewed various industrial and business leaders, entertained a party of financial editors in his hotel suite, and delivered three major addresses in Chicago and one in Racine, Wisconsin. The Chicago addresses other than the one here printed were made respectively at a luncheon for Chicago food processors sponsored by the North Carolina Poultry Processors Association on April 28 and at a luncheon for industrial and business leaders on April 29. The address at Racine, Wisconsin, was made at the forty-fifth annual meeting of the Racine Chamber of Commerce on May 1. (See pp. 513-515 for summaries of these addresses.) All of the speeches were designed to take the message of North Carolina's expansion, progress, growth, and economic opportunity to industrialists and food processors in Chicago and its vicinity.]

Thank you for your courtesy in attending this luncheon. We are very pleased to have this opportunity to speak to so many outstanding industrial and transportation leaders here in the heart of the great Middle West. I want to express my appreciation to the North Carolina Railroad Association and welcome its active support of our "good will" mission here this week. We are visiting in Chicago with a group of our leading citizens to tell the North Carolina story of expansion, progress, growth, and economic opportunity.

All of us are very aware of the startling increases in the speed with which man is traveling these days, especially in the field of rockets and space vehicles. Current newspaper headlines tell us about fantastic speeds into dim outer space. We are informed that for an object to orbit about our earth, it must attain a speed of some 18,000 miles per hour. I suppose some day we in government will have to set traffic laws up there, beginning with a *minimum* speed limit of 18,000 miles per hour.

This matter of speed, and particularly as it has reference to man's ability to get from one place to another under his own power, or by mechanical propulsion, has always intrigued the human race. The probabilities are that our first appreciation of fleetness of foot was the direct result of our ability to outdistance many of the early predators, who chased us as a possible delectable dinner. In the sports arena, the mad dash for suburban train or bus, the fast delivery of human and commercial cargoes, and in the armed forces man appears to be obsessed with speed.

Here on land our railroads were the first real speed demons. A day's journey on foot, horseback, and by wagon soon became a mere hour's distance for the iron horse. More important still, loads of a few hundred pounds limit by overland conveyances in earlier years became trains of hundreds of thousands of tons behind powerful locomotives when they appeared on the scene.

Railroads in North Carolina have been synonymous with the development and growth of both industry and agriculture. And we were pioneers in the rail business. As far back as the 1840's we were taking advantage of the benefits to be derived from this mode of transportation. In 1845, as a matter of fact, with completion of the great Wilmington and Weldon line—which stretched across the width of our state—we boasted the longest railroad in the world.

Today, railroads cover North Carolina. Ninety-one of our 100 counties have one or more railroads within their borders. There are twenty-eight railroads in the state—eighteen of which are of the so-called short-line variety and seven of which fall into the Class 1 category. These lines compose the membership of the North Carolina Railroad Association. Eight of these railroads have resident representatives in Chicago, and I understand all eight are present at this luncheon.

Railroads have been great transportation pioneers in America, and major contributors to the economic development of our nation. All of this pioneering, however, has not been without some controversy. In North Carolina, for instance, our two dominant political parties through the thirties and forties of the last century fought tooth and nail over the issue of railroads. Political fortunes were staked on the question of whether or not railroads merited public financial assistance and support. The proponents of public assistance of railroads won, of course, and any bitterness following the struggle soon dissipated and was soon forgotten as traders, farmers, and manufacturers alike reaped the benefits of freight rate reductions and rapid schedules.

Of course, in our own day we can and do attribute much more to rail service in North Carolina. It has been along rail systems and lines, in the main, that our state has developed and grown into one of the leading manufacturing and business regions of the nation. Our combined 4,515 miles of track, spreading through our state in all directions, and leading directly to the country's most concentrated market areas a few hundred miles away, are potent arguments in our industrial development program.

We are well blessed, of course, with all forms of transportation in North Carolina and deeply appreciate the contributions made by each service.

Our state has been a national leader in the construction and maintenance of one of the best systems of public roads in America. Furthermore, we are busily engaged every day in improving these roads and paying for them entirely out of revenues developed from their use. Our Highway and Public Works Commission has jurisdiction over 70,000 miles of highways, roads, and municipal extensions, which I believe exceeds that of any other state. These excellent highways and our rapidly expanding economy in business and manufacturing have helped stimulate the growth of motor transport companies. We have domiciled in North Carolina more long, interstate motor carriers than any other state in the nation. Our fine trucking firms with headquarters in North Carolina or elsewhere, have made valuable contributions to our state's outstanding growth by providing quick and dependable service to virtually every village and hamlet within our borders.

Our railroads, of course, have been of inestimable value to us and they have for many years maintained active industrial departments to promote the areas they serve. We owe many of our old and new industries to the cooperation and work of these railroad development departments. You will be very far sighted not only to continue this service but to accentuate it.

North Carolina's earliest form of commercial transportation, by deep seaport and inland waterway, continues to play an important role in our economy. The combination of rail service to our ports at Wilmington and Morehead City and barge possibilities through broad sounds and some fifty miles inland up navigable streams—these offer some outstanding opportunities for firms requiring deep water locations. While visiting recently in one of our two port cities, I observed two simultaneous operations going on. One ship docked alongside the modern wharf was loading a giant Babcock and Wilcox Company waste boiler made right in the port city itself and bound for Venezuela. A second ship docked nearby was delivering a 47-ton Ferranti electric transformer made in England and consigned to the TVA in Tennessee.

A growing number of American business managers look forward to increased foreign trade and the investment of capital abroad. The Export-Import Bank, the Bretton Woods Monetary Fund and Bank, and the renewed Trade Agreement Act—along with swift air transportation to help solve widely dispersed management problems—all serve to aid such expansion proposals. Manufacturers and shippers located along North Carolina's coastal region can aim directly at the 128,000,000 people in the Latin American market, and enjoy some schedule advantages in serving parts of Europe and the Middle East.

There is one other fact I should like to stresss at this point. Recent investigations have indicated that several large portions of our coastal region may be underlain with valuable limestone and phosphate materials suitable for cement and chemical manufacture. Coupled with the availability in the area of an almost unlimited amount of ground and surface process water, we offer some fine possibilities for the development of these valuable resources by the chemical industry, and all these industries are "down your alley."

Historically, many people have thought of Chicago and the Middle West as an area where people keep their eyes turned primarily towards the West and Southwest. Certainly, much of the credit for the development of our western states belongs to the initiative and spirit of venture of the people here in the Middle West. As we in the Southeast draw closer to you by modern transportation, we sincerely believe that business here can profit by taking a closer look at the opportunities for manufacture and sales in our part of the country.

Here, for example, is something I want to bring to your attention, which surely proves my point about opportunities available in North Carolina. A short time ago we had some figures presented to us, which to put it mildly and in slang, left us "all shook up." The president of the Carolina-Virginia Purchasing Agents Association, with headquarters in North Carolina, captured headlines in all our papers by revealing the fact that purchasing agents in our state alone are purchasing goods and services in the amount of $1,437,000,000 each year. Well, that much of the report sounded encouraging for it shows our industrial development to be something of considerable substance. But, the real shocker to us came when these purchases were broken down to show in-state and out-of-state buying of industrial goods and services. Out of the $1,437,000,000 being spent, only $71,850,000 went to North Carolina firms. Members of the Purchasing Association are forced to look beyond our borders for over $1,250,000,000 worth of goods and services each year—items not now being manufactured in North Carolina.

From the rate of industrial expansion taking place in our state, which reported some $191,000,000 invested in new and expanded manufacturing facilities last year, this great market for industrial goods is even now increasing by giant strides. We are organizing our efforts to learn more precisely the components, parts, and other items comprising the major segments of these outside purchases. When these market studies are completed we will then be in a position to make two simultaneous efforts to solve the problem: Number one, to promote the establishment of additional suppliers through our unique and dynamic Small Industries program, which has as its major point of emphasis the development of industries entirely with local men, money, and know-how; and second, we are frankly and openly committed to the policy of making our market survey findings open to industry in other sections of the country which might be interested in locating a branch plant in North Carolina to serve our manufacturers, and those in adjoining states of the Southeast.

An excellent example of our work in this field can be seen by citing, briefly, the case history of just one of the exciting new industries that have come to North Carolina in recent years. Most of you, I am sure, are familiar with the Cornell-Dubilier Electric Corporation. This firm located a plant in our state just seven years ago, in an 80,000 square foot building which was made available for lease through the efforts of the citizens in one of our smaller communities. Within two years the success of this operation was attested by the fact that the company constructed a new and ultra-modern plant in another small community. This second facility was more than three times as large as the original plant. Less than two weeks ago I had the pleasure of participating in ceremonies marking the addition of another 50,000 square feet of plant space at the site of the first plant.

The development of this single facility illustrates the phenomenal growth of the electrical machinery and products industry in North Carolina within the past ten years. In 1939 there were only three such plants in the state, employing sixty-six persons. Today there are some fifty such plants employing upwards to 30,000 people. Recently, we came to realize that the volume of parts and components purchased by these companies is tremendous and that most of this business was going outside the state. Here was a challenge to our enterprise and ingenuity.

In order to develop definite information which we believe will point the way toward the establishment of new plants to supply the electrical industry, the Division of Commerce and Industry of the Department of Conservation and Development has undertaken a survey of the industry. Cooperating in the study will be the department of engineering research of North Carolina State College.

This is a pilot study in the market research field in which companion projects may be undertaken in the future. The primary information which we expect to derive from the pilot project is the type of goods and services which our North Carolina industries are purchasing in quantity from other sources which might be manufactured closer to home. The initial study was initiated after consultations with representatives of the industry revealed that the industry would not only endorse the idea but would cooperate wholeheartedly in every way possible. The progressive management of Cornell-Dubilier is one of the firms which has expressed a desire to develop suppliers within the state.

The survey should be of particular significance to local development in many small towns of our state whose chances of attracting large industries from outside are limited. By spotlighting specific opportunities for the creation of new manufacturing plants with ready-made markets at their doors, we sincerely hope that a considerable number of communities will be able to launch their own enterprises. Such enterprises will be especially welcomed in those areas of the state where farm incomes have registered heavy losses and farmers are eagerly seeking opportunities for part-time employment in industry.

From what I have said, the good people in this great section of our nation may understand more clearly the purpose of this mission from North Carolina. The good sense and desirability of having branch operations in our state to affect any possible economies in time and money for our manufacturers, are matters of proper concern to our state development program and admit no interpretation other than that of helping our economy by aiding industry whenever and wherever we can.

In traveling about the country, first as a businessman and now as governor, I have frequently been queried by those familiar with our state's recent growth and expansion as to how this came about.

The ingredients which have worked so well for us in our emergence as one of the country's leading industrial areas are too numerous to discuss here. They have been cogently catalogued and described in some detail through numerous unsolicited testimonials from manufacturers operating profitably in North Carolina. There are not in North Carolina the special inducements, tax exemptions, public financing of industry, or other so-called give-away factors in our program. We try to do our job on a very high plane.

As a manufacturer in North Carolina for many years, I believe I have been in a good position to evaluate the special ingredient so attractive to industry. To me, and many others with whom I have discussed the subject, it is the genuine manifestation of our unbounded interest in the firm and the jobs it has to offer our people. Our people appreciate the opportunity to work. They prove it to the hilt day after day by furnishing a full day's work for the wages received. This refreshing experience for management, plus the fact that they suddenly find themselves surrounded by people intensely interested in the company's welfare, is an exciting experience for many firms coming to us from other sections where the attitude of people and communities was primarily one of unconcern.

Let me close my remarks with a few brief facts about North Carolina. Geographically, we range from one extreme to the other—from sea level in the east to the highest peaks east of the Mississippi in the west. We rank sixth in the nation in the production of hydroelectric power, a fact that clearly indicates our abundance of water. We boast a population of slightly more than 4,400,000—99.4 per cent of which is native born and 66 per cent of which is rural. Our 35,000 school rooms provide 1,039,000 students with outstanding educational opportunities. Our farm population of 1,376,000 is the largest in the nation and our 277,00 individual farms places us second only to Texas in this respect.

North Carolina's principal industries are textiles, tobacco processing, furniture, food processing, metal working, lumber and wood products, and chemicals. Since 1939, our industrial plants have doubled in number while the value of the goods they produce has climbed from $1,421,000,000 to $6,737,000,000. We are the nation's largest manufacturer of textiles, tobacco products, and household furniture. Our textile industry, alone, employs half of the 481,000 industrial workers in the state and the value of their annual production is placed at $830,000,000.

North Carolina is widely known for its sound and progressive government which has served our citizens well during the past half century. Through strong executive leadership and outstanding patriotic, devoted service of the members of our General Assembly during the years, our state government has kept step with the times and the needs of our people. We have been described as a conservative-progressive state operating squarely in the middle of the fiscal road. A balanced budget is, of course, the cornerstone of our financial policy. We are conservative in that we are unwilling to make spending commitments until we feel the expenditure is really justified and until we know just where the money is to come from. We are progressive in that we are continually planning for the future, gearing our policies to the changing spirit of the times and the needs of our people.

Since the turn of the century, we have not hesitated to invest in schools, and roads, and port terminals, and health centers, and hospitals, and in institutions of higher learning. We have not forgotten the unfortunate and handicapped in all the rush of material progress. There has been vast improvement in our institutions for mental care, for example. In short, we sincerely believe that we have human, as well as material assets, which are entirely worthy of conservation and development.

It should be obvious that a new industry does not want to come to a state that is extravagant and wasteful. On the other hand, it does not want to come to a backward state. It is our idea that a well-managed industry does not wish to be discriminated against, nor does it expect "hand outs." Our State Department of Conservation and Development, local chambers of commerce, regional development groups, and private enterprises are working hard to attract and keep the type of industry which expects to pay its reasonable part in the financing of progressive policies that contribute to the health and happiness of its employees and which are a part of good social climate which any industry requires for successful operation. There is a real future here for new industry with an honest and decent desire to live among us and share our hopes and aspirations.

We have many hopes and aspirations in North Carolina. I firmly believe that we have the resources, the people, the energies, the courage, and the vision to make North Carolina one of the nation's leading states—a state well balanced between industry and agriculture, offering the kind of uncrowded living which we all seek in this age of congestion.

Thank you for coming today. It was a pleasure to meet with you and I wish each of you continued success in your endeavors. Let me know anytime if I may be of service to you or the companies you represent.

ADDRESS AT THE SEVENTH HIGHWAY TRANSPORTATION CONGRESS

WASHINGTON, D. C.
May 7, 1958

[Governor Hodges and Governor Harold W. Handley of Indiana appeared at this session to discuss the highway systems and problems of their respective states on a program entitled "The Governors Speak." They were heard by approximately 300 highway officials from all parts of the country, including a large delegation from North Carolina. Governor Hodges spoke at length on the highway system of North Carolina and with especial reference to the reorganization of the State Highway Department which had been effected by the 1957 General Assembly.]

It is a distinct pleasure for me, as governor of North Carolina, to speak before this Seventh Highway Transportation Congress on the matter of public highways. It is a matter which we, in North Carolina, feel is of paramount importance in the future development and well being of our own state and, indeed, of our entire nation.

I can think of few, if any, services provided by government which have a more profound impact upon virtually all phases of our individual and community life. By the same token, I think there is no area which demands more careful and experienced planning on the part of public officials, whether they be national, state, or local.

It has been my observation that highways are very personal to the majority of our people. Inevitably, it seems every person judges a road in direct relation to the service it provides or fails to provide him as an individual. In a larger sense, organizations like the Highway Users Conference are constantly evaluating highway facilities in terms of what can be accomplished with the facility—in terms of what its use is or may become.

It is imperative that public officials at all levels counsel closely with such organizations in their future planning, for, in truth, public highways are only as valuable as they are useful. Highways must never be considered merely as stretches of concrete or asphalt to be admired as engineering models. In reality they may be defined as education for our children, markets for our agricultural and industrial products, raw materials for our business and industry, and sales for our manufactured products. They are methods of social, economic, and religious contact—a means of getting to work and a pathway to recreation.

They are a pleasure when the way is clear for unobstructed travel and a horrible headache in a traffic snarl. Highways have become second nature to a mobile America and, in recent years, have become a topic of conversation almost as commonplace as the weather. When properly designed and adequately built, highways are generally accepted as a matter of course. When poorly designed, badly located, or badly constructed, they became objects of derision to haunt their planners and builders.

The highway programs of our various states have never faced a more serious and challenging future than is now the case with the giant interstate program getting underway and gaining momentum. The recent action of the Congress in providing additional emergency funds has focused even greater attention on the roadbuilding program throughout the nation.

Highway officials in our state and in every other state have been given the tools to complete the largest public works program in American history, and there is high hope in every quarter that the excellent engineering standards of these future highways have put us on the right road and headed us in the right direction. I think we must be honest enough with ourselves, however, to face up to the reality that this 41,000 mile system is but a beginning in the solution of our overall transportation needs.

In the time alloted to me this afternoon I would like to point to three facets of any highway program which I feel to be vital to its success and, in the doing, discuss with you some rather significant changes which we have made in North Carolina to meet the highway challenge forthrightly.

In the matter of building and maintaining highways with public dollars, there can be no excuse for bad engineering and planning—no substitute for good, business-like administration and modern financial accounting. In like manner there is nothing more important than public understanding. From such understanding is born support on the part of our people; without it there grows confusion, suspicion, and outright opposition.

In this connection highway matters may be likened to a three-legged stool with engineering, administration, and public relations as the underpinning. With these three as strong legs, a good highway program can be planned and carried forward effectively. If but one is lacking, the other two are greatly reduced in value in supporting the program.

With these three prerequisites in mind, I would like to review with you briefly some of the new routes which the North Carolina State Highway Commission is following in its procedures of today and in its planning for tomorrow.

As you may know, North Carolina is in a rather unique position with regard to highways in that we are one of only four states which assumes final responsibility at the state level for primary as well as county roads. Our commission has the total responsibility for designing, building, improving, and maintaining well over 70,000 miles of public roads and highways. In this respect our responsibility is larger than that of any other state.

This fact represents both a severe challenge and a wonderful opportunity for service. The opportunity is the chance to provide *all* of our people in *all* areas of our state with fair and equal and standardized treatment under a single highway administration. This kind of treatment we are now striving hard to provide under a highway re-organization program which began only ten months ago but which is already beginning to bear fruit.

In outlining what has been accomplished, I should like to take a moment not so much to make comparisons but to explain what went before that July 1 date of 1957.

For purposes of administration, our Highway Department was divided into fourteen entities which we called highway divisions. The governor was empowered to appoint in each of these divisions a highway commissioner whose job it was to represent not only the people who lived within the several counties of his jurisdiction but also the hundreds of highway employees who were assigned to his area. These commissioners handled policy-making decisions and administrative matters in this arbitrary geographical area with almost complete and final authority within the limits of available funds.

The fourteen commissioners met as a group once monthly with the chairman of the Highway Commission who was appointed by the governor to head the commission itself on the one hand and the entire administrative wing of the Highway Department on the other. The chairman had authority to act for the commission in its absence and, in addition, was charged with overall supervision of highway construction and maintenance in all areas of the state. Under such an organizational framework, division commissioners wielded a very important influence, and Highway Commission chairmen frequently had the final and irrevocable say over many very vital matters and over a tremendous budget of more than $200,000,000 annually.

Within such an organization North Carolina enjoyed and benefited from the services of many outstanding men. We developed a good highway system for which we are justly proud, but in the minds of many persons, the highway organization was on the one hand too powerful and on the other too disorganized.

The highway divisions developed over the years as largely autonomous organizations operating on their own standards both in regard to highway construction and personnel and organizational policies. The very nature of such an organization denied to our people the kind of equal treatment from the state government which they needed and to which they were entitled.

A great many of us realized there was inadequate long-range planning, and budgetary and accounting procedures were both cumbersome and outdated. Some divisions had excellent public relations while others were in dire need of better public understanding.

It was from a knowledge of these needed improvements that the 1955 General Assembly authorized me as governor to appoint a special Highway Study Commission to analyze carefully the make-up of each highway division and of the central offices and to make whatever recommendations it deemed necessary to bring our whole highway operation under better and more unified control.

One of the most important observations of this Study Commission was that our Highway Department had slowly detached itself over the years from other phases of state government to become something of a law unto itself. Indeed, said the Study Commission, the department had sub-divided its own operations into the fourteen highway divisions in such a way as to defy simple definition and quick analysis. By the same token, the department had grown away from the public, and, while its activities fostered a good highway program in general, it was a program not generally understood or appreciated by the rank and file of our citizens. In fact our legislators paid little attention to the huge highway complex since it did not involve what we call the "General Fund".

The Study Commission courageously recommended that the fourteen positions of highway commissioners be abolished and be replaced by half that number of commissioners, appointed to represent all the state rather than a single geographical sector. The commission was to become a state-wide rather than area-wide body. Commissioners would be appointed by the governor to staggered terms on the commission in order that there be continuity of service through gubernatorial elections and terms of office.

The commission further recommended that there be a sharp severance of policy-making and administrative duties. Where before the commission had made decisions of policy with its left hand and carried them out with its right, the new seven-member commission would concern itself only with setting down the general ground rules or policies and would have no direct hand in carrying these policy-making decisions through to their administrative ends.

In a very real sense the new set-up was a kind of city manager—city council form of government recommended by the study commission. This separation of authority had proved most healthy in hundreds of American cities and the principle could well be applied to the highway set-up.

Heretofore, the chief administrative officer of the highway commission was also the chairman of the commission itself. This position of chairman was never envisioned as a career position but was held previously by distinguished citizens and political leaders who might be considered as laymen in highway matters. This was true even though highway building is a highly technical matter deserving the very finest experience and know-how.

The Study Commission recognized this and one of their most important recommendations was that the position of director of highways be established and filled by a person whose technical training and experience qualified him for a position of leadership among engineers and other employees. The director was to be a kind of city manager with a 9,500 man force working under him to set into motion the policy decisions of the commission.

The 1957 North Carolina General Assembly studied carefully these and many other recommendations of the Study Commission and passed overwhelmingly the highway re-organization bill recommended to it by the Study Commission and by myself as governor.

We now have a seven-member State Highway Commission which formulates the *state-wide policies* on highway matters which was sorely needed. I have been amazed at the degree to which these men have considered policies on a state-wide basis. The danger of sectionalism and division domination has disappeared to a large degree if not completely and the group is, at last, truly a *State* Highway Commission and the public likes it.

We now have a highway director with the finest of technical training and with many years of engineering and transportation teaching in one of our finest engineering colleges. In addition the man who was selected as director of highways had several years as a private consultant on engineering and traffic matters in practically all of our major municipalities. He was the first top man in my experience who was trained in engineering and transportation.

However, our highway re-organization program gave us more—much more. The Study Commission found accounting procedures of forty years ago. There was no efficient accounting for the expenditure of public funds and no realistic basis on which to form future budgets.

We had a thorough survey made by one of the top accounting firms in America of our whole accounting and bookkeeping procedure. We re-did the entire structure and modernized it.

The study commission suggested and the legislature approved the position of controller to be wholly responsible for public highway funds. It charged him with the responsibility of establishing and maintaining adequate cost-accounting procedures to keep a running inventory of expenses on which more adequate and reasonable budgets could be determined. With a biennial budget of over $400,000,000, there was no question but that all fiscal matters should be handled in a businesslike way, and we are positive that considerable savings of public funds will result under efficient operation and control.

The highways in North Carolina, as with some other states, have showed over the years a remarkable lack of advance planning in both design and location. Many of our roads were fast running out of capacity to handle traffic loads of today, and this was true of some roads built only two or three years ago. It was recommended that a very greatly increased emphasis be placed on the matter of long-range planning in which the opinions of many groups would be considered before highways were either located or designed.

In this connection, I would like to re-emphasize my original point that the value of a highway can be determined only by a careful measure of its usefulness. The best thinking of a good many differing disciplines should go into any long-range highway program and, while construction engineers are very capable of dealing with the technical matters of cuts and fills, grades and elevations, grading and structures and paving, I am not convinced that they are in a position of determining what is always best in terms of final highway use and highway value.

Too often engineers alone are apt to develop their thinking only in terms of what is economical or advisable from the engineer's viewpoint where, in reality, their scope should be much wider. Engineers and highway planners must temper their thinking to the extent that they consider what is good from all sides. They must consult with recognized leaders in other fields.

Highway planning is a matter for the concern of rural and urban sociologists whose business it is to consider how we live today and how we might live tomorrow. Our highway program must take into consideration the trends in agriculture as farming populations decrease and cities and towns grow. The development of industrial and business land uses must also be considered, and the potential of such development should be carefully studied. Highway planners must constantly ask themselves—"What will happen to adjacent land should the highway go here?" The procurement of raw materials and the sale of finished products, and availability of water power, the recreational and transportation potential of areas to be traversed by a highway—all of these must be taken into careful consideration if there is to emerge from any highway building program the greatest good for the greatest number of people.

In our own state there has been a rather significant trend among farm families to seek employment in nearby factories or industries on a part-time basis. This has placed our secondary roads in a new light. No longer do farmers go to market once a week. In some areas of our state previously rural areas are now becoming suburbs of adjacent industrial municipalities. What is the trend for the future? Should such continue, surely it is wise to prepare for such eventualities in the highway planning of today.

In an expanding long-range highway planning program in North Carolina we are seeking answers to these and many other questions in the hope that we shall render the greatest service to our 4,500,000 people and their needs, and we want to do this in such a way that our people will understand what has been accomplished and will say "well done."

These fundamental and ever-widening bases for designing and building highways in North Carolina will, I hope and believe, bring our entire highway system closer to the people who in reality use and own it.

I have mentioned frequently the word "use", and I think, in connection with highway matters, it is closely synonymous with the word "need." Our new state-wide highway approach in North Carolina has been geared to fill the highway needs of our people wherever and whenever that need is demonstrated to be greatest on a comparative basis.

Surveys recently conducted show that it would require over $1,000,000,000 to bring our primary and secondary highways in North Carolina up to a level of service which we feel would be ideal.

The fact that our limited budget will not permit the paving of every road which needs to be paved, or the widening or improvement of every facility which is now below par, points up very graphically our public responsibility for placing highway dollars where they will accomplish the most good for the most people. Under our new program, one of the first steps was to survey the actual needs and to estimate the cost of filling these needs without regard to individuals or to prejudice or influence. This study resulted in the planning last October of more than one-fourth of all the interstate projects in the state. A priority list was established and approved for designing and programming as quickly as possible those sections of interstate highways where the need was shown to be greatest.

The giant secondary road network of North Carolina, comprising almost six out of every seven miles of public highways, was completely surveyed for the purpose of determining which of those unpaved roads provided the greatest public service. The commission, in this connection, defined secondary road needs in the broadest possible way and established paving priority lists in every county to be followed to the letter in providing hard surfaces for those roads which needed it most. A point system was approved to be applied state-wide in assigning points to each unpaved road on the relative traffic use of the road, its land uses, and its public service characteristics and uses. These included churches, schools, etc. The points were added up, and the road with the greatest number of points in each county will be paved first and so, in order, down the list without favoritism or partiality.

Allocation of funds likewise was made to each county on the basis of its relative need in comparison with all the other counties in the state. It is interesting for me to note that we have heard not a complaint from the counties with this method of allocation even though the actual amounts vary from just over $20,000 to more than $500,000. It was a revolutionary change from the old system, but people will support a program that treats all alike.

I think this brings us very logically to the third phase of our new highway program. It has been my experience that, if you deal with people fairly and honestly, and if they know and understand the reasons behind your actions, they are generally apt to be both reasonable and understanding of what you are trying to do. Good public relations is essential to any public program—it is mandatory when we deal with highways.

I have long felt, and I believe the people of our state feel that they should be given a voice in highway matters and that they should be afforded the opportunity of having full information concerning the policies and procedures of any government agency which, in reality, exists for the sole purpose of serving them.

Good public relations is not an area for good salesmanship. It is an area for good understanding and mutual trust. Good public relations is nothing more than the ability to get along with people, to listen carefully to their opinions, to alter your thinking when their viewpoints have merit and to endeavor to see that they understand your thinking even though they may not agree with it. Good public relations is a matter of give-and-take on a common ground of respect for the other's viewpoint. This, too, we are striving hard to improve in our new North Carolina highway program. It is being done in many ways—through available news media to provide more general information as to highway planning and through various publications which the commission is issuing from time to time. And to direct this all important part of our program we employed a high-grade public relations man.

Not only is the commission trying to provide more information but it is working very diligently to consult with our people more often before determining where its highways should go and how they should be built. Meetings have been held statewide also in regions and in each of the 100 counties of the state.

Newly adopted regulations require that survey teams notify property owners before entering their property with regard to rights-of-way. Literature explaining the preliminary nature of such surveys has proved valuable in dispelling alarm and creating common understanding at the critical beginning point for each highway proposal.

Long before projects are let to contract, individual property owners are notified by certified mail that a highway proposal might involve their property. They are provided with a pamphlet which outlines the procedure of the Highway Commission and the rights of individuals in such matters. At the same time they are given the opportunity of calling for public hearings to express their viewpoints completely. Some states, including North Carolina, have had either a thoughtless right-of-way policy or no policy at all. In our case, hundreds of cases and suits have piled up, people were sore at the commission, and we were "paying through the nose" where condemnations suits were brought.

We fell that we are approaching a "new day" in our rights-of-way policy and program.

Our commission is now holding public hearings in various areas of the state where individuals may voice their opinions before the full commission, and the administrative staff is holding meetings with local officials to acquaint these people with the general policies and procedures of the commission, as well as to hear their own wishes. Such face-to-face meetings have proved invaluable in promoting mutual understanding and support of what the state is trying to accomplish.

Out of these meetings have come some revisions in the initial state-wide policies adopted by the commission soon after it took office. To me, this willingness to change is a very healthy sign that our program in North Carolina is being made more responsive to the needs and wishes of our people. There can be no adequate substitute for this kind of frankness and open-minded consideration.

North Carolina's Highway Fund derives all of its financial support from the users of our public transportation facilities. We do not claim perfection in our new approach to highway matters, but we do feel that a close order of cooperation with all the users of our public roads will constantly bring us closer to that goal.

To that end, our North Carolina State Highway Commission has already pledged its efforts and, to that end, I commend their efforts. As governor of North Carolina, I would like to pay tribute to the members of this Congress and to its sponsors, the Highway Users Conference. It is a pleasure to meet with you and I appreciate your invitation.

Thank you!

ADDRESS BEFORE THE ANNUAL MEETING OF THE SOUTHERN RESEARCH INSTITUTE

Birmingham, Alabama
May 20, 1958

[Although Governor Hodges often made two and sometimes three speeches on the same day, it was a rare occurrence when he was able to be at two places at the same time. Finding it necessary on this occasion to be in attendance at the National Governors' Conference in Miami, Florida, on the same date that he was scheduled to make an address in Birmingham, Alabama, he handled both chores by having his Birmingham speech filmed and presented to its audience through the medium of motion pictures. A contemporary account described the Governor as "strutting about the screen" and thus making a very lifelike appearance. The subject of the Birmingham address was "The Role of State and Local Government in Industrial Development."]

I greatly appreciate this opportunity to speak through the medium of motion pictures to so many outstanding southern leaders in industry, research, business, and education. I regret that my commitments at the National Governors' Conference will not permit me to deliver my remarks in person. It is a distinct honor to share in your program.

We in North Carolina have been tremendously impressed with the vitality and achievements of the Southern Research Institute, a pioneering organization which continues to furnish great leadership in the fields of science, technology, and industry. I should like to commend Mr. Thomas W. Martin, chairman of the Board of Trustees, and his fine associates who operate the institute so effectively.

John Temple Graves, in his history of the Southern Research Institute, tells the story of industrial research and its importance to the South. The story begins, of course, with the simple fact that cave men could have split the atom—if they had known what rocks to use and how hard to hit. The universe stretches before us, as it has since the beginning of time, awaiting investigation and discovery of its many mysteries. We in the South apparently haven't had too much scientific curiosity until fairly recently. There is something to be said, however, for even a Johnny-come-lately. Since the South is coming from behind, it has the advantage of learning from the mistakes and experiences of other regions and can chart its course in such a way as to attract those who are weary of being tied to deteriorating situations elsewhere.

Dr. Oliver Cromwell Carmichael, former president of the University of Alabama, who is now a resident of North Carolina and a member of our State Board of Higher Education, once wrote that, "Research penetrates the vast unknown, technology discovers the combinations which result in useful inventions, and industry applies these to manufacturing. Thus research, invention and manufacturing march hand in hand. Did industry stimulate science and invention or vice versa? Whatever the answer, it is certain that today scientific research sets the pace of industrial progress."

I am not too concerned which came first—industry or science—but I am tremendously interested in seeing both work closely together for the future development of our economy and prosperity.

Recently I heard Dr. Harold F. Clark of Columbia University, speaking at a regional meeting at Athens, Georgia, make some bold predictions about the economic future of the South. Here is part of what he said:

"The income in the South has been rising faster than in the country as a whole. The continuation of these trends for a reasonable time will bring the income up to that of the rest of the country. There are powerful forces at work, however, that will speed up the rise of income in the South and send it above the rest of the country. In fact, there are strong reasons for assuming that this section will become the richest section of the country and consequently of the world."

He then went on to outline several great resources of this region that have changed greatly in importance during the past generation or two:

1. *Climate.* The forty-hour week has changed the average worker's life tremendously. He now has time to be outdoors almost every week of the year in his car, boat, working in the yard, hunting, fishing, etc. All studies show an increasing desire of the average worker to be in a moderate climate the year around. Dr. Clark said: "We are moving into a period where highly skilled technical and professional manpower is going to be in very short supply. The scarce manpower can live where it wants to,

and it wants to live in a mild climate. This is ultimately going to force a large fraction of the very highly technical industry to develop in the South. This is the kind of industry that raises the income of a section very fast."

2. *Water supply.* The South's rainfall, as you know, is close to twice that for the rest of the country. Dr. Clark reports: "In the highly technical agriculture that is likely to develop adequate water is essential. Over the years it looks like a large fraction of commercial agriculture will go under irrigation. Some supplemental irrigation seems to make a great difference to average agricultural income already. We have reached the stage where the location of many industries is going to be determined by an adequate water supply. The South has very great advantages at this point."

3. *Research facilities.* We all recognize that specialized research institutions speed up economic advances. Dr. Clark pointed to the growing interest in the South in all types of research.

"Economic development today probably depends more upon the educational and research facilities of the region," Dr. Clark stated, "than on any other single factor."

He qualified his remarks, however, by saying that all of this would depend largely on the vision with which the South's leadership planned its research program. He called for "peaks of research excellence" concerning such modern industrial assets as climate, water resources, solar power, recreational facilities, and "even the technique of expanding human knowledge and training." I share Dr. Clark's belief that the South's future is firmly anchored in the vast and complex needs of America's technological development and expansion today.

While I speak as a southern governor, I perhaps should point out that my experience before entering politics and government in 1953 involved more than thirty years in the textile manufacturing and merchandising fields. I know from firsthand experience the incredible results of economic productivity, and how quickly this productivity can be translated into a better living for our people, their families, and the communities in which they live. Realizing these facts, I have made industrial development a major goal for North Carolina. I consider industrialization one of the basic tools which we in North Carolina must use if we are going to balance our rapidly changing agricultural economy and raise our low per capita income. This is my number one goal as governor—to increase the per capita income of our people and to raise the standard of living of all our citizens.

Like all southern states, North Carolina has had an industrial development program for some years and it has made progress, of course. The North Carolina approach today is a realistic, hard-hitting program at the state level to coordinate *all* efforts, state and local, to attract new industries, and to encourage existing industries to expand their operations. We are fortunate to have a heritage of good, stable government for the past half century. We have been one of the leading states in the nation in providing needed governmental services on a balanced budget. Our 1957 General Assembly, upon my recommendation, adopted a new equitable tax adjustment in our allocation formula for multi-state corporations operating in North Carolina. These amendments were approved overwhelmingly by our legislators because they believed in what we are trying to do in industrial development and knew that some adjustments had to be made if North Carolina treated its industrial citizens fairly, and also if North Carolina hoped to compete successfully in today's tough, competitive industrial market.

It is estimated that these revenue adjustments for interstate corporations would cost the state approximately $7,000,000 per year, or $14,000,000 for our biennium. There was some criticism that we favored corporations in tax changes, but we spoke out frankly to say we were making taxes equitable and the public backed us because it knew we were trying to be fair.

We in North Carolina seek diversification in types of industries as well as location of new industries and the starting of local industries. We preach constantly that what helps one county in turn helps every other county in our state, and I feel that what helps one southern state helps all of us in the South. Indeed, I made a proposition to all the southern governors in 1955 at a conference at Point Clear, Alabama, that we invite industries to the South and we in North Carolina would get our part.

There are many aspects, of course, to industrial development. I have always been very conscious of the fact that industrialists, like most human beings, tend to be either impressed or dismayed at the appearance of the communities which they are considering for possible plant location and possible future homes for them and their families. We in the South have not been so careful or as concerned with the way our towns and cities and countrysides have looked, but we are awakening to this problem and I believe we will greatly improve. The South has been blessed by beauty of nature and we should keep it beautiful.

We believe in advertising our advantages to the nation and the world, and we do this very effectively through a state-financed advertising program. We believe in personal solicitation of industrial prospects and have a team of skilled men who work in industrial centers of the nation and who follow up closely on prospective leads, and direct these leads to possible locations where the local communities must then take over. We lay great stress on encouraging our communities and counties to tell their own story after they have made careful surveys of their resources and we make it clear that the local leaders must make the sale and that it cannot be left to the state. I am sure all of our southern states do the same.

We like industries which are research-minded. In this connection, we have in North Carolina a great new venture known as the Research Triangle. This project has tremendous possibilities and also the advantage of giving us a prestige product which is tangible, attractive, and available. Nothing which North Carolina has done in recent years has gained more national attention than the establishment of the Research Triangle, and I believe a short statement about it will be helpful and interesting.

The Research Triangle of North Carolina consists of the University of North Carolina in Chapel Hill; Duke University in Durham; and North Carolina State College in Raleigh. Most of you, I think, are familiar with these three institutions, so that you know that they are concentrated in a relatively small area. From a point in the center of this Triangle it is no more than fifteen miles to the campus of any one of these three good institutions. You also know that the University in Chapel Hill and Duke University are among the thirty-seven institutions which comprise the Association of American Universities, and that North Carolina State College is one of the nation's major technical institutions, with its own privately financed atomic reactor.

In these three institutions are to be found some 2,000 faculty people and some 18,000 students. The combined library resources come to almost 2,500,000 volumes; all scientific periodicals are available, and there is an excellent inter-library loan system already at work among these three libraries, so that any needed reference work from any one of the libraries can be had on any given day.

Of the some 2,000 faculty people, nearly half are currently carrying on research which is in fields of interest and application for industrial production, ranging from operations in research and market analysis to chemistry and physics and nuclear investigation.

We have a large nuclear engineering program at North Carolina State College, good physics and chemistry programs at Duke and the University in Chapel Hill. There is a teaching and test reactor at State, a Van de Graaf accelerator at Duke, and a School of Statistics at the State University that is of great renown. The whole region can benefit from these things.

I would like also emphasize to you the fact that, according to our estimates, two-thirds of these young people trained in science by these three institutions are forced to leave North Carolina, and indeed the entire South, to find suitable employment. This is a tragic loss to our various states in the South and one which must be stopped. We as southern states must develop our industries and our research institutions so that we can hold our best young men and women. And we ought to help each of them wherever possible. We can ill afford to lose these talented young people with their intellectual power and imagination.

In view of the increasing importance of research, and especially of the happiness and welfare of the research scientist and his family, we feel that our region needs to do everything possible to prepare for the great days ahead.

State and local governments play an important role in the growth and progress of the South. We have a definite responsibility and opportunity to see that our government at all levels is clean, honest, and effective. It is our responsibility and opportunity to see that we have proper and equitable taxation; that we are not demogogic in our approach to taxes or other matters and that everybody is treated fairly. The best way to have good government is for people like you to help out by getting into government. *Think this over!*

It is our responsibility to people who come to our states, either to live or to work or to build a factory, to have available for them good schools, both public schools and colleges and universities, good health programs, hospitals, mental institutions to take care of the mentally ill, good highways, clean entertainment and recreation. We should recognize once and for all what I have previously mentioned that people are looking for these things. They are not interested in low wages or give-away programs or gimmicks. They want to pay their own way. They want to be good individual and corporate citizens, and it is up to us in government to see that they have an opportunity to be both.

In keeping with this idea, we have tried in North Carolina to take a look ahead as to where we are going to be in the various fields of government. We have asked our department heads and agencies and institutions to tell us what their plans are for 1965, what they are doing now, what new things they ought to start and what old things they ought to drop to meet the day that is ahead. We are approaching budget-making the same way. We are taking a new look at our age-old constitution. We hope to revise it. There are commissions studying the financing of our public schools, the revision of the curricula of our entire system of public school education, the judicial system of the state so as to create more respect for the courts and for the law. A Governor's Farm Advisory Committee is helping us make detailed studies county by county as to what our farm problems are and how we are going to attempt to solve them. We have formed a Business Development Corporation on a private basis to lend money to small institutions, small businesses and industries, that cannot get their long-term needs through banks or insurance companies. Other states of the south are working along the same lines, I feel sure.

One of the South's great resources is its good people and their fine attitude toward giving a good day's work for a good day's pay. It has been my own experience to have charge of many manufacturing plants of a large national concern. I have seen so many times the results of the good sensible attitude of labor toward its job. I have seen results of higher and higher productivity per person because these people from the South were not "feather bedding," and did not ask why are you having me do this or that, but so long as they were treated properly and not taken advantage of they freely and pleasantly gave a full day's work for a good day's pay. Attitude begets productivity. Productivity begets lower cost. Lower cost begets success in competition. This is necessary if private enterprise is to survive and is to grow and is to provide services and products that the people want and need.

In closing let me say to this distinguished audience that the South has a great future if our leaders have the vision and the courage to lead. We will need tolerance and understanding. We will need patience and persistence. We must quit crying, quit dreaming of the past, and look to a glorious future that is ours.

We have a great background and a great inheritance and these we must build on as we seize the new aids of research and technical skills. We have natural resources and the greatest people on earth. The future is bright. Let's go!

ADDRESS AT NORTH CAROLINA DAY CEREMONIES, UNITED STATES PAVILION, WORLD'S FAIR

BRUSSELS, BELGIUM
May 28, 1958

[During the latter part of May and the first half of June, 1958, Governor Hodges was in Europe on a vacation trip which was entirely personal and at his own expense. He was accompanied by his daughter, Mrs. Donald M. Bernard, and they visited his other daughter, Mrs. John C. Finlay, in London and spent three days at Nice with Luther H. Hodges, Jr., who was then serving with the United States Navy in the Mediterranean. In the course of his trip the Governor went to England, Denmark, Belgium, France, Germany, Austria, and Switzerland and made his first visit to Jugo-Slavia. One feature of the tour was this historical and somewhat inspirational address on North Carolina which he made at North Carolina Day ceremonies at the 1958 World's Fair in Brussels.]

I consider it a great privilege to be here in Brussels today to participate briefly in this spectacular international event. It is a thrilling experience just to be here—to see the cultures, the unique accomplishments and the individual personalities of so many nations blended together in common purpose to form the fabulous pageant that is the World's Fair. The small but important nation of Belgium deserves world-wide applause for staging this spectacular event. The occasion is made even more gratifying by the fact that I have been given the distinct honor of representing the great state of North Carolina.

It has been suggested that I tell you something of the history of my state and of the role it has played in the growth and development of the United States. This is not a simple task. To tell the whole story in the time allotted would be impossible, for our contributions have been many and varied. They extend from the Colonial days of the early sixteenth century to the present, and there is ample evidence to indicate that our future will be even more glorious than our past.

The motto of our state is "Esse Quam Videri"—"To Be Rather Than to Seem." Throughout our history, North Carolinians have taken this motto seriously. They have translated it into a way of life that is unique in its simplicity yet deeply profound in its meaning. There is an "esprit de corps" among North Carolinians that is born of confidence and humility and nurtured by the knowledge that deeds and not words are the measure of true accomplishment. We are proud of our past and its accomplishments, but it is a pride devoid of arrogance and bravado. We believe that our contributions to the nation speak eloquently for themselves. Let me relate a bit of our history that you may judge us for yourselves.

Prior to the arrival of the first explorers along our coast, the vast area that is now North Carolina was inhabited by between 30,000 and 35,000 Indians. There are known to have been at least twenty-nine tribes though only five were historically significant. These were the Hatteras, with whom the early settlers had their first contact; the Chowanoc, who were first to show hostility toward the settlers; the Tuscarora, the largest and most warlike of the eastern tribes; and the Catawbas and the Cherokees who have left their imprint on the Piedmont and mountain sections of our state. Today only the Cherokees retain a degree of tribal unity and tradition.

These then were the inhabitants of the land first visited in 1524 by Giovanni de Verrazzano, a Florentine navigator in the service of France. He explored our coast and certain inland areas and later wrote reports that pictured our land as a veritable paradise. The French, however, were too involved in other matters at the time and made no attempt at colonization. Two years later a Spanish expedition led by Lucas Vasquez de Aylion attempted to establish a settlement on the coast, but a large number of deaths from disease and starvation finally caused the Spaniards to return to the West Indies.

The next known exploration of North Carolina came in 1540 when the great Hernando de Soto led an expedition north from Florida and penetrated the mountains in the southwestern part of our state. There was no attempt at settlement, however, and de Soto turned to the west on the trek that led to the discovery of the great Mississippi River. Other Spanish expeditions came in 1561, 1566, and 1567, but none succeeded in planting a permanent colony.

Finally, in 1584, an English expedition, commissioned by Sir Walter Raleigh and led by Philip Amadas and Arthur Barlow, came to the North Carolina coast in search of a suitable site for a settlement. This expedition spent several months on the island of Roanoke, off our mainland, and then returned to England carrying two Indians named Wanchese and Manteo and an enthusiastic report of the site they had found. We have two little towns on our North Carolina coast carrying these names. In less than a year's time the first English colony had been transported to America and settled on North Carolina's Roanoke Island. When, a year later, this colony gave up and returned to England, another came in 1587 to take its place. Two significant events occurred in the months that followed. The Indian chief Manteo was baptized in the Christian Faith, and a child, Virginia Dare, was born.

Here, at the dawn of my state's recorded history, was an indication of the role North Carolina was destined to play in the more than three and one-half centuries that have followed. The Roanoke Island colony was doomed to vanish into oblivion in less than three years, but its existence had not been in vain. It has provided North Carolina with a rich tradition and a pioneering spirit that has remained with us to this day. North Carolina had become the site of the first English colony in the New World. It had witnessed the first Protestant baptismal service in America, and it had been the home of the first English child to be born on the new continent. Today these historic events are immortalized in the form of a great outdoor drama—"The Lost Colony"—which is performed during the summer months on the exact site of the original English settlement.

In the decades that followed, North Carolina was settled, not by expeditions that landed along the coast, but by individuals and small groups that migrated to the area from colonies that had settled to the north and to the south. They came slowly in the beginning but later their numbers grew and they filled our Coastal Plains, our rolling Piedmont and our mountains with industrious and dedicated people. They were Anglo-Saxons, Scotch-Irish, and German. They were hardworking and fiercely independent. They were proud of their new land and jealous of their freedom. They were the simple men and women who gave us the great heritage that we bear so proudly today.

We are proud of this heritage because it is one of accomplishment and leadership. We are proud of the fact that North Carolina took the lead in our nation's fight for independence. It was on April 12, 1776—more than a month before any of the other colonies acted—that the North Carolina delegation to the Continental Congress was instructed to vote for freedom from England. This audacious act was set down in the document we know as the Halifax Resolves, and the date on which the act was perpetrated is displayed today on our state flag.

This same spirit of leadership and independent action has remained with us to this day. It is evident in the fact that North Carolina, in 1795, became the first state to open the doors of a state university. Today the University of North Carolina is recognized as one of the leading educational institutions in the United States and it stands as a living monument to the vision of its founders.

My state was also a leader in the field of public eduaction. We were the first of the southern states and one of the first in the nation to enact legislation for the establishment and maintenance of a public school system. In the same vein, we were one of the first states to establish public libraries.

An indication of the fact that North Carolina's interest in cultural development has not lessened in recent years is seen by the fact that less than two years ago the citizens of my state startled the art world by establishing a State Art Museum. Our legislature appropriated $1,000,000 of the taxpayers' money for this purpose —and they did so with the enthusiastic endorsement of the people. It was the first time such a thing had ever been done in the United States, and North Carolinians are proud that they had the audacity that the deed required. Today, this museum houses art treasures valued at more than $2,000,000 and is visited annually by hundreds of thousands of our own citizens and visitors from throughout the world.

In this same connection, we have violated other traditions in an effort to insure the cultural development of our citizens. Our North Carolina Symphony Orchestra has pioneered in the unusual procedure of touring the length and breadth of the state, carrying the wonders of music to our farmers and factory workers and to the citizens, especially the children, of our many small communities. Similar tours are made each season by our tremendously popular Grass Roots Opera Company, which is pleased to stage "Carmen" in a baseball park or a barn, just so long as the beauty of this performing art is made available to more and more of our people.

The cultural achievements are all the more unusual when you consider that North Carolina is primarily an agricultural state. We are second only to the state of Texas in the number of individual farms within our borders. Tobacco, cotton, corn, and peanuts are staples in our economy. Few states can match our production in any of these commodities. We are a state of small, rural communities with only a few large cities. Yet, we have accomplished many things for the betterment of our people that other states, in similar circumstances, can only dream about. We are an agricultural state, yes, but we are also the leading industrial state in our area of the country. We are a state that places great value on the past, but we keep this dedication in its proper perspective and do not let it mar our view to the future.

I could tell you a great deal more about the great state of North Carolina and its people. There are many details that I have omitted. I could tell you of the three Presidents and other great leaders that my state has given the nation. I could relate, in great detail, the exploits of the fabled pirates who buried their treasures in the great sand dunes along our outer banks. And I could tell you of the brothers named Orville and Wilber Wright who came to those same North Carolina dunes half a century ago with a machine they called an airplane to give our state another first as the birthplace of aviation.

Yes, we in North Carolina are pround of our state and its heritage. And we are extremely proud of the fact that we are being honored by this special observance here at the Brussels World's Fair. I am proud of our attractive, intelligent North Carolina guides here at the Fair, and I am happy that many North Carolinians are in Europe to visit this great Fair.

I would like to conclude by thanking the American officials here for this opportunity to talk about North Carolina. And I would like to commend them for the effort that has gone into the erection of this great United States Pavilion that is a fitting symbol of our great nation. It is a fitting symbol because it is typically American—a small part of our great country transplanted here to become a part of an international symbol of friendship and understanding among nations. As individuals we can implement this understanding and peace. May I express, for myself and for the people of the state I represent, the sincere hope that the spirit of cooperation evidenced here will have a profound and lasting effect on all nations in the years that lie ahead.

ADDRESS AT THE ANNUAL MEETING OF THE NORTH CAROLINA ASSOCIATION OF COUNTY COMMISSIONERS

CAROLINA BEACH

June 24, 1958

[The day on which this address was delivered was illustrative of the busy schedule which Governor Hodges often set for himself. Leaving Raleigh at 8:45 that morning, he flew to Asheville and spoke there at 11:00 to the annual convention of the North Carolina Savings and Loan League. Back in Raleigh at 2:00, he joined Mrs. Hodges and some friends who had turned up at the Mansion for luncheon on the occasion of the Hodges' thirty-sixth wedding anniversary. Later in the afternoon he spent an hour or so in his office in conference with the Advisory Budget Commission and then flew to Wilmington to be on hand for this address to the Association of County Commissioners at Carolina Beach at 7:30 in the evening. Highway problems, public school financing and administration, the conservation and wise use of water resources, and the need for constitutional revision, court reform, and a new capitol building, the most of which would be up for consideration by the 1959 General Assembly, were the principal topics discussed by the Governor in his lengthy address to the commissioners.]

Thank you for this opportunity to share in your fifty-first annual convention. Your association is celebrating the completion of fifty years of able service to the counties and the people of North Carolina.

I am much impressed with this statement in the constitution of your association: "Counties like individuals, cannot profitably and happily exist in isolation. Their destinies are intertwined. They must progress or fail together. Their problems are largely the same, and to be solved speedily and effectively all counties must band themselves together and work for the common good." This is a good, sensible, and worthy statement of principle for the guidance of your organization. When you associate yourselves to work for the common good of county governments, you are in reality working for the good of the people of North Carolina.

I also like the emphasis in your constitution on the need for study, discussion, and recommendations for the continuing improvement of county government.

Government at any level is not and cannot be a static and unchanging institution. If by default it is forced to be static, it is more than likely to become stagnant.

In our own lifetime we have seen the commonwealth of North Carolina expand and grow from a sparsely settled rural state into a state with a population of over 4,000,000 people, and with a state government vitally concerned with the needs of our people. You have helped to improve county government immeasurably, and the state owes you its gratitude.

May I also say that I appreciate the leadership shown by your association in working with the 1955-57 Tax Study Commission. A committee from your association worked with my office on the tax problem. We appreciate the work you did with the Highway Study Commission on policies and procedures for the construction and maintenance of secondary roads. I have seen a copy of the brief which you have prepared for the 1957-59 Tax Study Commission and appreciate the great amount of study, thought, and effort reflected by this brief.

As most of you know, one of my chief aims as governor is directed toward an improvement in the per capita income of our people through a wide program of economic improvement for our state. Since November 1954 I have made every effort through many different programs and projects to encourage the expansion and sound development of all worthwhile economic endeavors in our state—whether in agriculture, industry, commerce, transportation, or other activity. I should like to make it clear that my purpose in this is directed to the average citizen of North Carolina—the so-called "little man" and his family. We can never improve the economic status of our people from the top down. We must do it by getting that extra income into the pockets of the average citizen in every county in our state. This is the *only* sound approach of any real value.

In this connection, when we in government plan to meet the needs of our people we must think of the *total* needs and attempt to encourage all phases of our life which will give our people the economic prosperity, educational leadership, cultural advantages, recreational possibilities, and a clean, beautiful, and healthful state in which to live.

It has been my privilege to sponsor a number of improvements in state governmental services including a major reorganization of the State Highway Commission as approved by the 1957 General Assembly. I know that Mr. W. F. Babcock, director of the

State Highway Commission, spoke to you yesterday in some detail about this reorganization and the efforts which the Highway Commission is making to give North Carolina a better, more effective highway system. I should like to say that Mr. Babcock, Chairman Melville Broughton, and the other Highway Commission members have rendered an outstanding service in North Carolina during the first year they have been in office. They have brought to our Highway Commission an objective and understanding approach in meeting the total needs of our state and our people. They have sought to strengthen the gains of our past highway administrations, to discard the weaknesses, and to build a highway program designed in every detail to meet the highway transportation needs of our expanding state.

The new Highway Commission recognizes that the importance of highways cannot be measured solely by the number of miles we have, or the routes they follow, or in the types of surface they boast. Our public roads must be considered in direct relationship to the service they provide. They provide access to markets for agricultural products, access to educational facilities for our children, arteries for supply for our industry, and a convenient means of bringing new customers to our business enterprises. Highway administration deserves the best talent and planning we can afford because highways are an integral part of the daily life of all our citizens.

This recent reorganization of the State Highway Commission is in keeping with the best traditions of North Carolina's leadership in highway planning and construction. I say this because North Carolina has a progressive record in highways dating back to 1920 when our citizens first invested $50,000,000 in a projected primary road network which was to connect county seats and major centers of urban population.

That was the largest public investment in highways which had been made at that time by any state in the Union.

Yet in spite of our leadership in the earlier days and our construction records of more recent years, we have fallen behind many other states in the past ten years. In my opinion, we have fallen behind in such highway essentials as long-range planning, public relations, personnel training, and financial accounting. Year by year the Highway Commission had developed into a cumbersome and obsolete organization which unconsciously grew away from the people it served and even apart from itself in the development of practically autonomous divisions. Like many people in this state, I did not believe that such practices could be permitted to stand in the way of the enormous highway program which North Carolina must have now and in the years ahead. The 1957 General Assembly debated the reorganization proposals thoroughly, grasped the problem, and passed the necessary legislation by an overwhelming majority.

Since that time my administration has been hard at work in putting through these reforms and in moving ahead as rapidly as possible with the type and scope of highway program which we must have.

As Mr. Babcock pointed out to you, we were all especially conscious of the importance of the secondary road program in North Carolina and of the need for formulating a state-wide secondary road program which would deal fairly and honestly with all counties on a reasonable, uniform basis. The 1957 General Assembly gave to county commissioners the opportunity to work closely with division and district engineers of the Highway Department in the formulation of secondary road plans for their counties. The Highway Department representatives were directed to prepare plans for secondary roads for each county and to present these plans to the county board of commissioners so that the commissioners would have the opportunity of filing in writing their recommendations concerning such a plan. Generally, this opportunity has extended to making recommendations as to that portion of the county's secondary road allocation which should be used for paving on a priority road basis and that portion which should be reserved for improvements and stabilization of unpaved secondary roads.

The clear intent of this approach has been to keep county officials fully informed on road needs, road plans, and other facts concerning secondary roads in each county. This was an effort to bring the secondary road program closer to the actual operation of each county government. At the same time, it was clearly understood that the final authority for the determination of paving and improving projects on secondary roads in each county would have to rest with the Highway Commission.

Mr. Babcock also told you how the Highway Commission went about its state-wide survey of secondary roads and the studies which were made to determine traffic count, minimum standards, and bridge conditions.

This survey revealed that $129,000,000 would be required to pave all secondary roads carrying fifty vehicles or more per day. There are approximately 9,000 miles of such priority rated highways in North Carolina. It would also require approximately $70,000,000 to improve the 5,000 sub-standard secondary road bridges in the state.

As you recognize, these are tremendous outlays of public monies which are not available in such quantities at this time.

Despite such an imposing task, we have made a good start by providing a total of $27,000,000 for the current biennial budget for secondary road improvements. As you know, these allocations were made to each county in the spring of 1958, and each county board of commissioners was furnished a list of allocations, as well as a full explanation of the allocations and the method of arriving at the final figures.

Let me assure you that your advice and counsel on highway matters can mean a great deal to the State Highway Commission in the development of new highway plans. Locally elected officials are naturally well informed on plans for school improvements, industrial possibilities, development of business and recreational facilities, and the need for opening new sections of the county. Since our system is now based upon a formula consisting of present and recognized facts, the more information you can provide for the highway engineers the better chance you have of getting the specific road imporvements you believe necessary.

We all recognize that the new Highway Commission has not licked all its serious problems. I do believe that the commission has made remarkable progress for the short period of time it has been at work. It is certainly encouraging to see the present highway administration basing its program on road *needs* rather than on an arbitrary formula which was used in years past to send approximately the same amount of money into the same area year after year with little regard for road conditions. Under the old approach, some sections of the state were blessed with large amounts of funds at the expense of other areas. Under the present program, the road conditions and the road needs of each county will determine the allocation. And most important of all, each citizen, rich or poor, will be the same.

It is my sincere belief that the vast majority of North Carolina citizens feel that the system of "treating everybody alike" in the matter of local roads is good and should be continued. I can understand that in a few counties which for one reason or another received extra good treatment at the hands of a highway commissioner might prefer the old system. I believe this would be an exception and that the legislature and the public prefer to keep a system based on need rather than influence. I hope that you agree.

I want to call especially to your attention the various problems that the Highway Commission has in the matter of rights-of-way. In terms of the relationship of the department to citizens with whom it comes in contact, the acquisition of rights-of-way is the source of almost as much misunderstanding and friction as is the determination of what area should get what new road or what old road should get what amount of funds for repair and improvement.

I am frank to say to you that our Highway Department has not solved all the problems in this area. We have worked hard and made some improvements. We want to improve even more.

For example, during the past several months you have perhaps seen a story in some newspaper that some individual has not reached an agreement with the Highway Department on the damages he should get for a right-of-way, with the individual having to be ejected from his property by court action. In some other instance you may have seen report of a case where the property owner claimed that he had been grossly mistreated in that the Highway Commission had refused to pay him the reasonable value of his property. In still another instance the claim has been made that an individual has been forced to give up his property on extremely short notice or that the first he knew that a highway was being constructed across his land was when he saw the bulldozers and other construction machinery move onto his property.

I am sure that among the total number of right-of-way acquisitions, literally running into the thousands each year, a very small percentage result in difficulty and a very small percentage of the property owners involved feel that the Highway Department has acted unreasonably. However, the fact that there are even a few instances where the private property owner feels that he has not been treated with as much courtesy and consideration as should reasonably be accorded him is a matter of regret, and in terms of our objective is a condition that we want to eradicate completely.

During the past several months the Highway Commission has been giving continuing study to the right-of-way problems and has received suggestions for improvement from several sources.

Every effort will be made to establish and to operate under new procedures which have as their objectives the following:

(1) Reasonable notice to the property owner that the Highway Department requires the right-of-way over his land, and in this connection, I would express my own opinion in saying that such notice should be at least sixty days and preferably more if at all possible;

(2) Careful and objective appraisal of the value of the property taken or the damage done to the property owner for which the Highway Department should give compensation, with the Highway Department dealing fairly with the property owner in the negotiations, giving due regard both to the interest of the state and the valid interest of the private owner; and

(3) Making every effort to afford a reasonable and prompt means, through legal action, to settle right-of-way claims in those instances where after reasonable negotiation between the parties there is an honest difference of opinion as to the compensation or damages which the Highway Department should pay the private owner, and of course this is more a matter of court administration than it is of administration by the Highway Department.

The highway challenge is too great and too important to the people of this state to permit obsolete procedures in organization to hamper our road program. We now have a Highway Department which counsels closely with the people of the state and with local government—a Highway Department which is aware of the trends in agriculture, business, industry, and community life—a Highway Department which combines good engineering practices with a goodly measure of understanding of people and their problems, and we have a Highway Commission which is daily improving our public relations by meeting with the public in various sections of the state.

As elected leaders, I know you are vitally interested in statewide problems and in the events which are shaping up for the attention of the 1959 session of our General Assembly. I should like to share with you a few of my thoughts concerning this coming session, and I may say, some of my hopes. I mentioned these briefly in my home county last Saturday.

As the responsible leaders of our county governments, you know from your own experience that in terms of things which always remain to be done, your job in your own county is never completely brought up-to-date. By the very nature of things, it seems to be a practical physical impossibility to put and keep our government house in *perfect* order, to be able to say that *all* of our problems are completely solved and will remain solved for even a short time ahead. I am sure that you in your own case have never been able to reach that sort of conclusion concerning your county government.

The same situation is certainly true with respect to our state government. We never get to the point when all problems are solved, when all decisions are made, and where there is no need for further effort to improve our programs and laws. In other words, we never really get a breathing spell.

I have expressed to you these convictions to make this simple point. I approach the coming session of the legislature almost with the feeling that in effect "everything is yet ahead" and "everything yet remains to be done." I say this notwithstanding the fact that I have been privileged to serve as your governor during two previous regular sessions of the General Assembly as well as the special session in 1956.

Thus, I do not feel at all that we can rest on past laurels or what we may deem to be past achievements. If our state has made some progress during the past four years, and I hope that some progress indeed has been made, that which has been done is small compared to that which remains to be done and compared to the opportunities which lie ahead for North Carolina.

I approach the coming session of the General Assembly with enthusiasm. I look forward to working with the elected representatives of the people of this state. I believe that when it has completed its work, the 1959 legislative session will be recorded as one of outstanding and solid achievement.

The fact that I shall be serving as governor during what is traditionally described as the governor's "difficult session" will not deter me from presenting a program which I believe to be in the public interest.

I shall work for that program with all of the ability and strength that I have.

I have faith that our General Assembly, at any session, will be disposed to act favorably upon those proposals which are clearly meritorious and in the public interest.

As you know, the problem of education, both in terms of dollars required and in terms of its vital importance to us all, is the most pressing and most important confronting both our state government and government on the local level. Seach your own minds and hearts and recall your own experiences, and you will agree with me that the most important function of government on the local level, the one which affects the most people—and which requires the greatest expenditure of public funds—is public education.

It is apparent to me that more dollars will be required in the years ahead simply to maintain our present public school standards. More dollars will be required to provide additional teachers and classrooms for the thousands of new pupils entering the public schools each year. In addition, we certainly want to do everything possible to improve and to raise our standards of educational performance.

For the school year just ended, the state expenditure per pupil for the nine months' school term was approximately $153. More than 1,037,000 pupils were enrolled. For each $1.00 increase per pupil cost, the state must put up over $1,000,000.

In some respects, for example in classroom facilities, we must admit that we are not meeting present minimum needs. You on the county government level know that there are some schools which operate double shifts and you know that there are thousands of children who are being taught in improvised, overcrowded, or inadequate classrooms.

All of this simply means that we must give our very best thought to the question of properly financing public education in North Carolina. We must utilize our very best judgment so that we can accomplish the utmost with our limited tax resources.

The 1957 General Assembly authorized the governor to appoint a special study committee to look at the entire problem of public school financing. This committee will report to the governor and to the 1959 session of the General Assembly. It is now engaged in a careful study of the resources we have available at the state and local government level. The committee is seeking and it is obtaining the views of all representative groups of our citizens. The committee is especially interested in the opinions of local boards of education and of county boards of commissioners.

May I correct as clearly and frankly as I can some of the rumors or statements or misunderstandings which were current during the last legislative session with regard to public school financing. A few people said, "the Governor wants to unload the school financing on to the counties." In fact, two or three county boards of commissioners met and passed resolutions in this connection. We do not desire to "unload anything on the counties." Some counties are probably paying more now than they can afford—others are probably paying less. What I want is schools, good schools, and better paid teachers. I want to see the *state* and the *counties* and the *cities* do what they can and should do within their economic abilities.

We have a distinguished study group working on this problem.

It is my sincere hope that the public school finance study committee will have ready to propose to the 1959 General Assembly a program which will enable us to *improve* our financial support of public education, in all of its aspects—a program which I hope and believe will receive the wholehearted endorsement and support of the people of this state.

A further accomplishment in public education which I hope we will see concerns our public school curriculum. I know that many of our citizens have at various times questioned, especially in recent months, whether our schools have been giving proper emphasis to the right subjects. Particularly, many of us have wondered whether our public high schools afforded the maximum opportunities possible to the specially talented students to develop to their full potential.

All these questions are the subject of a special curriculum study now being made under the supervision of the State Board of Education, and for which I was able to secure a grant of $50,000 from a private foundation. This effort is especially timely in view of the international developments of the past year which have tended to emphasize America's relative weakness in some important scientific areas.

Another matter which I would call to your attention and urge your particular thought and concern has to do with the administration of our courts in North Carolina. Perhaps the most basic obligation of government, at both the state and local level, is simply the maintenance of law and order, and the protection of life and property. To do this, we must have an adequate and efficient court system to resolve our civil disputes and to enforce our criminal laws.

We now have a total of more than 1,400 separate courts in the state, of all sizes, forms, and jurisdictions.

All of us recognize that court costs, financing, procedure, and jurisdiction are unnecessarily confused and difficult to understand. For the most part we have able and competent judges and solicitors conducting the operations of our many courts, and it is no fault of theirs that the system itself often has made a difficult task almost impossible.

Our lawyers and judges have recognized these problems and through a distinguished committee of the North Carolina Bar Association have completed a detailed and intensive study of our court system.

The committee's report was made to the North Carolina Bar Association meeting on June 13 and was overwhelmingly endorsed. The details of the recommendation have not reached me yet but the basic principles seem sound and I hope each of you will study these proposals with open minds and with an interest in the over-all good of the state's administration of justice. Recommendations will be placed before the 1959 legislative session and will be fully discussed before the public and the General Assembly.

I hope that our citizens generally will unite in the objective of making substantial improvements in the administration of our courts. If we will but unite in this objective, we can work successfully toward agreement on the necessary details to achieve the objective.

We now have near at hand the opportunity to make a long overdue and substantial improvement in the administration of justice in the courts of North Carolina, and I hope this objective has the support of county commissioners.

Another very important action by the 1957 General Assembly was the authorization of a commission to study our state constitution and to recommend needed and desirable revisions for consideration at the 1959 legislative session.

I am confident that the group of distinguished and devoted citizens comprising the Constitutional Commission will render our state a great service, in their study and development of suggestions for improvement.

I wish that I had the time for a full discussion of constitutional revision. Our present state constitution is almost one hundred years old. It is substantially the same document which was adopted in 1868, at a time when our state was under military occupation following the Civil War.

Several of the constitution's present provisions have long been outdated, and there are some basic questions of constitutional policy which we should reconsider.

For example, a problem of constitutional policy which has long given us difficulty is the matter of legislative apportionment. When the present constitution was adopted in 1868, it provided for a fifty-member Senate and a 120-member House of Representatives. At that time, the total population of the state was approximately 1,000,000 people. The population of our state today is over 4,000,000 people. We still have the same number of General Assembly members and the same prescribed method and procedure for reapportionment.

The legislative sessions of 1951, 1953, 1955, and 1957 could not reach agreement to revise legislative apportionment on the basis of the 1950 census, as is required by the express provisions of our present constitution. It may well be that the basic difficulty in meeting this issue promptly and settling it satisfactorily at the proper time is the inadequacy of the procedure or the apportionment formula which we have in our present constitution.

I am hopeful that the Constitutional Study Commission can make a recommendation on this question which can be accepted. I believe that we could find a way to reapportion our legislature, giving due consideration to the factor of area as represented by our lesser populated counties and giving due consideration to the factor of population. I know that there are many aspects of our present situation which are equally unsatisfactory to the small as well as the larger counties.

Other study commissions will report to the 1959 General Assembly, for example the Commission on the Reorganization of State Government, and the Commission to Study the Revenue Structure. These groups of devoted citizens will be working hard during 1958 to prepare recommendations and proposals which will help to improve state government and enable us to look to a brighter future for our state. The Commission on Reorganization of State Government is just this week holding a public hearing to obtain opinions and views on the building of a new capitol annex or legislative building. I don't mind saying to you that it is my own opinion that our state must provide a large and more adequate building for our legislature. Those of you who have either visited sessions of the General Assembly or have been members of that great body have personal knowledge of the cramped and inadequate assembly halls for the accommodation of members of the General Assembly and for the accommodation of necessary legislative personnel and members of the public who come to witness legislative sessions. Also, our legislators are greatly handicapped in not having convenient and adequate committee rooms and office facilities to use when the House and Senate are not in actual session.

In addition, the executive officers now occupying the Capitol do not have adequate office space. The secretary of state for many years has been forced to divide his staff, housing part of it in one building and part of it in the Capitol. The same is true with respect to the state treasurer.

I would further express my opinion that our present Capitol is a great and beautiful adornment which we will want to retain and to utilize. This we can do by erecting an additional building or buildings which would contain adequate and properly furnished halls in which our General Assembly could meet, together with office and committee room facilities.

I would also call your attention to one other important field of prospective legislation—a field in which you as county officials will want to take a more active interest. I am referring to the conservation and wise use of our water resources. At the present time North Carolinians are using some 914,000,000 gallons of water per day. A study just completed by the State Board of Water Commissioners credits domestic use with 252,000,000 gallons per day, industry with better than 301,000,000 gallons, and agriculture with more than 360,000,000. At the present rate of increasing use, we will require twice this amount, or more than 1,750,000,000 gallons per day by 1975.

We are fortunate in North Carolina that our annual supply of water is amply abundant to meet these growing requirements, but we are unfortunate in that we have neither the facilities nor the legal framework to insure the proper distribution of this water supply. Water users are becoming increasingly jealous of their supplies and controversies are developing at an alarming rate. The lack of clearly-defined water rights in the state is a major contributing factor to the widespread confusion. The antiquated riparian rights doctrine, upon which we base most of our decisions involving water controversies, was adopted at a time when water requirements were infinitesimal compared with today's needs. This doctrine is becoming increasingly inadequate and, if continued without considerable revision, could seriously affect the future economic development of the state.

It is interesting, though of little consolation to North Carolinians, that many other states—especially those of the Southeast and South where industrial expansion is making its mark—are wrestling with the identical problem. There will be obvious advantages for the state that first meets the challenge effectively. I would like North Carolina to be that state.

We are hampered in our efforts in this field by the fact that we have only recently come to appreciate the growing need for some forward-looking legislative action. Only within the last two or three years have we realized the necessity for a concentrated, coordinated program of water conservation. During this relatively brief period of time it has been necessary to concentrate much of the effort on research in order to provide us with the knowledge and understanding that is essential in the development of a sound program.

I understand now that our State Board of Water Commissioners, working closely with other state and federal agencies, has completed the major portion of this research and is now in the process of evaluating its findings with an eye to making recommendations to the 1959 legislature. Officials of the board inform me that they expect to complete these recommendations and publicize them throughout the state before submitting them to the legislature for action. Tentative plans call for a series of public hearings at which the proposals will be explained and the public will be asked to voice its opinion.

Here is where the county official can be of real service to his county and to the state of North Carolina. You can begin right now by familiarizing yourselves with the water problems in your own localities. Talk with your farmers, your city officials, and your industrial leaders. Learn what their water problems are and get their suggestions for solving those problems. Familiarize yourselves with the legal implications of the problems. When you have done these things you will be in a position to render valuable service when the hearings are held in your area. Intelligent consideration and cooperation at the county level is the key to the success of this vital program—and you are the key to that cooperation. I am happy to see U. S. Senator Jordan effectively carrying on the water campaign program which his predecessor Kerr Scott worked at so faithfully.

I have mentioned just a few of the outstanding items that will confront the North Carolina legislature when it convenes next year. Many other items of equal importance will be brought before the legislators and I am confident that each and every matter will receive the intelligent attention of dedicated men. I shall discuss these matters more fully during the coming months.

I have confidence that North Carolina's problems will be met with determination and faith. The job ahead will not be easy but it can be richly rewarding in terms of accomplishment.

Let me conclude with the thought that you, as county officials, have a great influence in determining the future of North Carolina. Because of this, your responsibility is great. Your sincere cooperation, or lack of it, can be the deciding factor in the months and years ahead. With your interest and your cooperation, the task will be easier and the achievements more enduring.

I'd like to continue working with all of you as I have done in the past. We are all working for the same thing—a larger per capita income, a higher standard of living, a greater, more prosperous state in which to live and raise our families. If we work together, there is nothing that can keep us from attaining this goal.

Thank you!

ADDRESS AT A WESTERN NORTH CAROLINA CHAMBER OF COMMERCE RALLY

BRYSON CITY

July 9, 1958

[The Governor made this address at the start of a five-day visit to the western part of the state which included, the next day, a breakfast meeting with the Asheville Agricultural Development Corporation, a tour of farm communities in Buncombe County, and a speech at the dedication of a new Dupont silicon plant at Brevard. The Bryson City address was made at a rally attended by chamber of commerce members from seven western counties. Although repetitive of much that the Governor had said on other public occasions throughout the state, it emphasized the economic problems and opportunities that existed in western North Carolina. The rally was followed by a barbecue supper at Deep Creek Camp in the Great Smoky Mountains National Park.]

Let me begin this afternoon by thanking you for the opportunity you are giving me to participate in this wonderful program which holds so much promise for the continuing development of western North Carolina. In many ways your meeting here, sponsored by your Western North Carolina Chamber of Commerce with its energetic and optimistic approach to the problems and the opportunities before us, symbolizes the type of atmosphere I have been trying to promote throughout our state since the day in November of 1954 when I became your governor.

During the past few years there has been a great transformation in North Carolina. Old and out-moded practices and procedures have been discarded in order to make room for progress. We have learned the value of working together at the local, county, sectional, and state levels. We have found that this type of cooperation is not only necessary, but that it pays big dividends on both a short and long term basis. The seeds that were sown years ago when the need for group effort was first realized are paying dividends today. And the seeds that you are sowing here today will also pay dividends and will favorably affect your growth and prosperity in the future.

Most of you here today are business men who know the value of looking ahead, of anticipating trends and pitfalls, and of planning well in advance in order to take full advantage of the opportunities that the years ahead have to offer. You know that this type of foresight is not only good business, but that it is absolutely essential if progress is to be made, if we are to meet the challenge of future years as the people we serve should demand that it be met. And you know something else, too. You know that the really worthwhile opportunities, the ones that offer the greatest potential benefit for the individual, the community, or the state, are the opportunities that we make for ourselves.

A noted American lecturer of the last century, John B. Gough, once said that "If you want to succeed in the world you must make your own opportunities. The man who waits for some seventh wave to toss him on dry land will find that the seventh wave is a long time coming. You can commit no greater folly than to sit by the roadside until some one comes along and invites you to ride with him to wealth or influence." This is something all of us should take to heart.

The speaker was talking about individuals, but the same advice applies to any group of individuals banded together for the betterment of all. It applies to the community, to the chamber of commerce, to the area development organization—and it applies to western North Carolina and it applies to the whole state of North Carolina. *We must make our own opportunities.* And, perhaps even more important, we must be prepared to capitalize on them when the right moment arrives. This is the secret to future prosperity here in the western part of our state—and in every other section, for that matter.

It is one of the big reasons that North Carolina has taken the lead in the South in industrial growth during recent years. There are other states with natural resources comparable to ours. There are other states with an abundance of competent labor. There are other states that make concessions to new business far exceeding the concessions we make. There are other states that would appear on the surface to be just as attractive and just as conducive to profitable investments as North Carolina.

Why, then, do we occupy this position of leadership? How do we account for the fact that other states are constantly endeavoring to find the answer to the question, "How does North Carolina do it?" I have been asked this question many times on out-of-state trips and, not infrequently, by visitors who have come to North Carolina for the sole purpose of finding the answer.

In every instance I have explained to these people that we have no carefully guarded secret—that the formula for our "extra something" cannot be found in our files or our brochures or even in our methods and organization. I tell them—and the conviction that I am right grows stronger each day—that our secret weapon is one that no other state can hope to duplicate. I tell them that our secret weapon is the individual North Carolinian—more than 4,000,000 individuals who know the true meaning and value of genuine hospitality and mutually beneficial cooperation. I tell them that it is an intangible, yet unique, quality—easy to detect but difficult to describe.

Several weeks ago I had the pleasure of announcing the decision of the Kellogg Switchboard and Supply Company of Chicago to establish a new manufacturing plant in North Carolina. Officials of the company, including its president, Mr. George T. Scharffenberger, came to Raleigh to attend a luncheon marking the release of the announcement to the press. In responding to the welcome extended by the Raleigh Chamber of Commerce and the Carolina Power and Light Company, Mr. Scharffenberger made a number of remarks that substantiate my belief in the intangible quality I have just referred to.

This man, who, incidentally, is widely regarded as one of the most astute young industrialists in the country, listed many reasons for his company's decision to open a new plant in our state. He mentioned the tremendous potential of our Research Triangle. He praised the cooperation and integrity of the various individuals and groups who helped sell North Carolina to the company's investigators. He commented on the availability of an adequate labor force to handle both the technical and the nontechnical employee requirements. Then he said, "Why have we come to North Carolina? We have come because the right kind of people—the kind of people we need—are already here. We have come because on our earlier visits to your state we were greeted by people who, in our opinion, proved the existence of the environment necessary for successful human relations; and a manufacturing plant, believe me, exists and operates in the field of human relations." And a clincher for this decision was the fact that our state had the Research Triangle.

So a new and important member is being added to our growing industrial family "because the right kind of people are already here." New jobs for upward of 200 North Carolinians are being provided and millions of dollars are being added to our economy because in North Carolina this very desirable company found "the environment necessary for successful human relations."

This is not an isolated event. It is an increasingly commonplace event, as a matter of fact. It is merely typical of many such events that have occurred, are occurring and, I sincerely hope, will continue to occur throughout our state. In the past year, I have had the opportunity to participate in dozens of plant dedications in every section of North Carolina. And I want you to know that each ceremony was a tremendous thrill because in each instance I saw new economic opportunities unfolding for more and more North Carolinians.

For this reason I am looking forward to traveling tomorrow to Brevard here in your western country where I will take part in ceremonies marking the formal opening of the new Du Pont plant that has been constructed on a 10,000 acre site near the community. This new industry, designed for the commerical production of silicon, will benefit not only the town of Brevard and the county of Transylvania, but all of western North Carolina. This plant will employ around 200 people. Personal income in the area will be increased by more than $1,000,000 annually.

Bank deposits will be increased by more than $500,000 dollars. Retail sales should rise more than $600,000. And experience has shown that at least four new retail establishments will be required to handle the influx of new purchasing power and new people. It has been estimated that Du Pont will purchase annually nearly $2,500,000 in various supplies from at least 200 established firms in the Brevard area.

I think it is significant that of the 200 new jobs made available by this industry, around 150 were filled by local people. I think it is also significant that the fifty remaining jobs were filled by experienced Du Pont people who have already made a wonderful impression on their new neighbors by exhibiting a genuine eagerness to make a real contribution to the business, cultural, and religious life of the community. In this connection, I believe we should constantly remind ourselves that a major portion of the responsibility for incorporating these new citizens into community life lies with the citizens of the city or town into which a new industry moves. It is tremendously important that these new people know that they are welcome, know that they are wanted, not because they represent a boost in the local economy, but because they are fine people who want to be good citizens of the community and of North Carolina. This is a job for the city and county official, for the chamber of commerce and the merchants association, but even more important, it is a job for the next door neighbor, the corner grocer, and the youngster that delivers the evening paper. Most of all it is an easy job, requiring little effort and paying big dividends.

In a few weeks I will go to a rural section of Buncombe County to help celebrate the opening of a brand new plant of the C. P. Clare Company. This is a company that has been operating in a small local building, but found that it liked the territory so much that it has now constructed a large new plant.

A year or so ago I had the pleasure of working with Percy Ferebee and others in helping get a new rug plant for Robbinsville nearby, but your local people did the most. I am enthusiastic about the future of this territory provided we work together. We have here the courage and the atmosphere of cooperation needed to attract new companies. It can be done.

I shall not try to list all the local and outside companies that you have secured in the last several years. You have some good ones but you need more. I want you to know that we will all help you in every way possible. Get your counties and towns ready to attract people and go out for them. And don't forget that your tourist business is big and can grow bigger. And the same is true for your handicraft industry.

As a part of your western North Carolina development, I want to urge all of your representatives and senators from this area, many of whom will be determined in the November election, to learn as much as they can about all the major problems of the state before they come to Raleigh and to work, not only for the good of the areas they represent, but for the good of the entire state. Our state needs and deserves the best representation it can get and although each man in the General Assembly will have problems peculiar to his county or senatorial district, he will generally make the greatest contribution and do more for his section if he has a state-wide point of view on the large problems that will face him in the coming General Assembly. And I would like to say that our Assembly is traditionally composed of honest, high-grade people who exhibit a genuine love of their state.

I have said a great deal about what has been done and what can be done, but I want to make it clear that the state can't bring you an industry. It can help you if you give our Department of Conservation and Development the data about your town and county and if you do your part. We can take justifiable pride in the achievements that have been made in industry, agriculture, and the other major fields of economic activity in recent years. These accomplishments have been the result of hard work, sacrifice, vision, and intelligent leadership provided by many people and many dedicated local, area, and state leaders.

Progress, however, has not been as fast as many of us would have liked. The fact remains that, in spite of all our efforts and all our achievements, we are only just beginning to scratch the surface. Our state per capita income stands at $1,305, a figure that ranks us forty-fourth in the nation. Even conceding that there are many factors—a high percentage of young people, a large farm population, etc.—to support the contention that the low income figure doesn't accurately reflect our standard of living, we must still acknowledge the fact that there is considerable room for improvement. This is especially true when you consider that the state's wealth is not too evenly distributed. We lack balance in the distribution of our manufacturing plants. Over 50 per cent of the employment and the industrial payroll is located in just ten counties, eight of which are to be found in the Piedmont section of the state. This is changing, and we are glad. The last six months showed about 50 per cent in the Piedmont and 50 per cent elsewhere. In the east, and here in the west, there is a great need for more industrial development to counteract losses in agriculture and other branches of the economy. Look at your own per capita income figures, and you will see that this need is very real.

I understand that seven counties are represented here today—Cherokee, Clay, Graham, Haywood, Jackson, Macon, and Swain. None comes up to the state average in per capita income; most are far below it. Cherokee is more than $650 below the average; Clay, $700 below; Graham, more than $650 below; Haywood, almost $100 below; Jackson, $625 below; Macon, almost $700 below; and Swain, $450 below. The average per capita income for all of your counties is $743—more than $550 below the state average. Even when we include your neighboring counties of Buncombe, Henderson, Madison, and Transylvania—to give us all the counties included in the Western North Carolina Associated Communities organization—the picture changes only slightly. The figure still remains more than $435 below the state average. Of the seven counties represented here today, only one ranks among the top fifty counties in the state. Five of the seven are in the bottom twenty counties, and three of these are listed among the bottom ten.

I have related these figures, not in an effort to embarrass or criticize, but because they represent the economic facts of life that must be faced if the challenge of the future is to be met. I have related the figures because I know that the people in this area have already accepted the challenge. You accepted it back in June of 1946 when the foundation was laid for your associated communities program. In so doing, you pioneered an idea that has taken roots in many other areas of the state. Today there are seven area development associations in North Carolina, and they are making tremendous contributions to the economic development of the areas they serve. And in almost every instance these various groups owe something to the practices and policies you established here in the west. You were among the first to realize the necessity for cooperation. You set a wonderful example of completely unselfish dedication to area development when you based your aims and objectives on the premise that what was beneficial to one of your counties was, at least indirectly, beneficial to all your counties. An excellent example of the wisdom of this policy is your outdoor drama, "Unto These Hills," which certainly spreads its benefits out over not just your own area but over all of western North Carolina. Another such project, which I understand draws well over 100,000 visitors each year, is the Pioneer Museum. Still another outstanding example of the value of cooperation is the phenomenal improvement in the quality and quantity of tourist accommodations that has been effected in a relatively brief span of years. I am well aware of the fact that the chambers of commerce in your various communities have provided the leadership and, in many instances, the stamina that was needed to bring many of these projects into fruition. You are to be commended on the success of your efforts. You may rest assured that your contributions to western North Carolina will not soon be forgotten. It is certainly to be hoped that your efforts will not only continue, but will increase in scope in the years to come. The opportunities available to you are fabulous. You are limited only by your imagination and your willingness to devote sufficient time and effort to your program. And your record of accomplishment indicates that there is no shortage of either imagination or energy in this area. You hold within your grasp the tools with which to build in this area a wonderfully prosperous future. You have the knowledge and, I am certain, the determination that are required to see the job through.

Don't wait for big companies. Form your own small, local groups and grow from there. This is fundamental. Don't depend entirely on large industry. Continue your development of processing plants for poultry, etc. Develop further your hatching egg business. Do a much greater job in raising aromatic tobacco which is not restricted or dependent upon acreage and price controls. Tomorrow I will visit some agricultural communities to see what they have done to improve their communities, their homes, their churches, etc. I know that a great deal has been done, and I want to urge you to keep it up.

I want to assure you that all the facilities of your state government stand ready to assist you in any way possible. We are just as interested in Graham County and Cherokee and Clay as we are in Mecklenburg and Guilford and Wake. Our interest is in all of North Carolina, not in any one city or county or area. As you have proven here, the thing that is good for one area is good for all the others. I was actually shocked recently when one of your western North Carolina newspapers labeled our recent Chicago trip as an "Eastern North Carolina Industry Hunt" and drew the editorial conclusion that the trip was obviously designed for the sole benefit of the Piedmont and eastern counties. The conclusion was apparently based on the fact that no western representative joined in the trip. For the benefit of anyone who may have harbored such a thought, I would like to explain that the trip was very widely publicized in every part of the state well in advance of the date we left North Carolina. More than 5,000 industrial newsletters were circulated to individuals and organizations throughout the state, including all chambers of commerce. The invitation was out to anyone and everyone to join us in this effort to tell the North Carolina story to Chicago industrial leaders. A total of fifty-seven citizens of this state, many of them chamber of commerce officials, accepted the invitation, and paid their own expenses to work for North Carolina as a whole, not for their own special section. I think I can make my point by simply pointing out that the first actual result of the Chicago trip was an announcement by the Quaker Oats Company that it would construct a new feed plant in Asheville.

I mention this because I want to emphasize the fact that one of North Carolina's strongest selling points is the traditional atmosphere of cooperation that spreads all the way from here to the Outer Banks. If we can maintain this atmosphere, we can consider ourselves well on our way to the prosperous future we know is within our reach. You, here in this section, have set an example for every other section of the state to follow. The entire state owes you a debt of gratitude for your leadership in this field, for the entire state has shared in the benefits of your labor. This is as it should be, for we are all seeking the same goal—a greater North Carolina.

Let me again thank you for the opportunity to come here today to take part in your program. It has been a wonderful experience.

Thank you!

ADDRESS AT A LUNCHEON FOR A GROUP OF BUSINESS AND INDUSTRIAL LEADERS INTERESTED IN THE RESEARCH TRIANGLE OF NORTH CAROLINA

CHARLOTTE

July 16, 1958

[Governor Hodges was quoted on one occasion as saying that if his administration was to be noted for any one thing, it would be the Research Triangle in the Raleigh-Durham-Chapel Hill area, to the promotion of which he devoted a large amount of time and energy. This address featuring that facility was prepared for delivery in Charlotte and was reported by most of the state's newspapers as having been delivered there. Actually the Governor ignored his prepared remarks and made an extemporaneous speech which is available only in brief excerpts appearing in the Charlotte papers. In his extemporaneous remarks he dwelt upon the fact that the future of Charlotte and Mecklenburg County is tied to that of North Carolina and warned the area that it can't go off by itself economically "like a little Texas." The luncheon was held at the City Club and was sponsored by the Wachovia Bank and Trust Company, the American Commercial Bank, and the Union National Bank.]

I am glad to have this invitation to meet and talk briefly with you about one of the most exciting ideas and projects in North Carolina. Your desire to hear more about this project indicates an awareness of the importance of this subject. Charlotte and Mecklenburg County have always been leaders in North Carolina and have shown a willingness to move forward in every field of endeavor. Charlotte has wisely determined long ago that its future and its progress will depend, in a large degree, upon the support and prosperity of this great Piedmont area and the state.

Let's look at the Research Triangle, what it is, what it means to the nation, what it means to North Carolina, and what it can mean to Charlotte and Mecklenburg County. Like all great things, the Research Triangle began several years ago as an idea, a dream, the recognition of the need, and an opportunity to utilize to the ultimate degree human and physical resources of North Carolina, through the development of one great research center in the area bounded by the University of North Carolina at Chapel Hill, Duke University at Durham, and North Carolina State College at Raleigh.

Many people, no doubt, had wondered why something could not be done to coordinate and take advantage of the great research possibilities of the three educational institutions. We have all witnessed the development of rapidly growing research centers around other similar locations in the United States where two or more universities were closely grouped. In any event, the idea intrigued me and I asked some good citizens in the Triangle area to look into the possibilities involved. From these preliminary plans came a Research Triangle Committee which was established after the three institutions generously agreed to participate in this program. Dr. George L. Simpson of the University of North Carolina was chosen as director of the Research Triangle Committee. He has done an outstanding job in working with the committee and the institutions and in helping develop, step by step, this great project.

It is the proximity of these three major institutions that makes them of special interest to the industrial and scientific world. From a point in the middle of the Triangle it is no more than a fifteen-minute drive to any one of the campuses and to the communities in which they are located. Thus, for all practical purposes, these three institutions constitute a single campus. And, indeed they constitute the outstanding concentration of academic science and scientific training in the South, and one of only about six such concentrations in the nation. The University of North Carolina and Duke University are members of the Association of American Universities, of which there are only thirty-seven in America. North Carolina State College, which is part of the Consolidated University of North Carolina, is one of the leading technical schools in the nation and a member of the American Association of Land-grant Colleges and Universities.

More than 850 research people on the staffs of these three institutions are currently at work in fields ranging from the most abstract mathematical formulations to the immediate and practical problems of the farmer or manufacturer.

Currently, a total of more than $7,000,000 annually is budgeted for organized research. These funds come from the operational budgets of the three institutions, from grants by government and industry, and from contracts with government and industry. Many of you are textile executives and are sponsors of research programs at the Textile School of North Carolina State College.

The combined library facilities number more than two and one-half million volumes. Virtually every scientific periodical is available and listed in a published checklist. Any book or scientific journal in either the Duke, State, or Carolina library is available and is delivered to anyone at any of the colleges just by filling out a slip.

An inventory of these resources revealed 2,000 faculty members on the research and teaching staffs of the three schools, and a wide variety of research programs. These faculty members have studied or taught at almost every major university in the nation and in many foreign universities, and in much of their work they are in the front ranks of the advancement of knowledge.

There are 18,000 students enrolled in the three institutions; and each year, about 1,200 young people trained in the sciences are turned out with either the bachelors or graduate degrees. These degrees are in the fields of electrical engineering, civil and mechanical engineering, nuclear engineering, in physics, mathematics and chemistry, in statistics, and other sciences. There are two schools of forestry, two of engineering, two of medicine and nursing, a school of textiles, and a school of design, to mention only a portion of their assets. Special equipment includes a nuclear reactor and a Van De Graaf accelerator, together with advanced computing machines.

Another outstanding asset of the area is the Institute of Statistics, sections of which are located at the University of North Carolina in Chapel Hill and North Carolina State College in Raleigh. This world-renowned institute under the able direction of Dr. Gertrude M. Cox currently carries on a large program of research work and is especially well-adapted to delineating and servicing research programs of all kinds.

The unique arrangement of these three great schools was not planned. These three schools developed separately as educational institutions and not until recently was the value of the close proximity understood. Their research programs are based upon the fundamental subject matter areas. Their facilities have been chosen for their strength in basic scientific knowledge. The name "Research Triangle", therefore, crystalizes the past growth and present excellence of these three institutions that have grown up so close together.

As you know, Mr. Karl Robbins and associates have put up the basic risk capital to start the development of the physical requirements of this research park. With the same foresight and courage that made him a leader in the textile field in North Carolina for over thirty years, Mr. Robbins is acquiring 4,000 acres in the Triangle area and has begun planning for the establishment of this great facility. More than $1,500,000 in private capital will be spent in land acquistion, planning, and development of the area. To guide the developers, the world renowned firm of Voorhees, Walker, Smith and Smith of New York was retained to do the planning and engineering involved in such a park. This same firm designed the Bell Telephone Laboratories in New Jersey and many other notable research facilities. According to initial plans, the Research Triangle park will be a magnificent research facility with every service needed by research laboratories or similar facilities. It will have all the advantages of a quiet suburban development and none of the disadvantages of congested metropolitan areas. Transportation, communications, roads, and other services will be first rate.

Perry Coke Smith, senior partner in the firm, indicated that the Research Triangle area has tremendous possibilities. He said that because of the time, the place, the people, as well as the intense interest being shown across the state, development of the Research Triangle will be "an opportunity for this generation to demonstrate how the growth of an important region in the state can be directed for the good of all." One of the important factors involved in planning involves developing a major research center which will attract and hold top-flight scientific and technical personnel. This is an absolute "must" which is recognized by all major corporations, institutions, and the government in their employment of top-flight scientific people.

A recent issue of *Industrial Development* said:

> Scientists are in a higher income group than the average plant workers. Amenities are more important to them. Cultural and recreational opportunities may be the deciding factor in job selection. More important, scientists like an intellectual atmosphere, a community where their neighbors may be other professionals, people who create and accomplish things. The Research Triangle is being looked at by international firms with present laboratories outside New York City because the scientists in these areas are not happy and want to live in a better atmosphere.
>
> This does not mean that scientists place recreation before laboratory achievement. It is still an undeniable fact that the true scientist will go wherever the opportunity for creative scientific effort exists. But in many industries where facilities and job opportunities are similar, the intangibles will continue to be the determining factor in job selection.

Incidentally, the Russians have indicated that they are having somewhat the same problem with their top scientific personnel. The Soviet Academy of Sciences has made a decision to build two scientific centers in Siberia, where every facility will be made available for the well being of scientific personnel. The Soviets were frank to admit that their major problem seems to be to convince their scientists they should move from Moscow and other cities into the remote area of Siberia. At least, we don't have that problem here.

However, the threat of Russian leadership in science and technology definitely is a matter of grave concern to our nation and our state. We must remember that Russia has made a religion of science and technology and is placing tremendous emphasis upon the complete development of their industries, their scientific research, and their technical skills. They are gambling heavily upon success in these fields to outstrip the United States and other nations in the free world. A recent issue of the *Harvard Business Review* flatly stated that the "contest between East and West may be resolved in the area of pure scientific research" and that "Soviet Russia is pressing us closely for the lead in this field. Recognition of the Soviet challenge has led to a hurried reevaluation of our basic scientific resources, a reappraisal which has already been criticized for showing more signs of panic than sound judgment."

Research has been extremely important in giving the United States what is undoubtedly the most diversified industrial base in the world. It is estimated that more than half the products in common use today were completely unknown fifty years ago. Individual companies report that 50 per cent, sometimes as high as 75 per cent, of their current sales come from products which did not exist fifteen years ago. We all recognize that research in industry is an economic force, more far reaching even than new developments in the field of atomic energy. In the past 100 years technological change in progress has brought the United States greater material advances than any other nation has experienced in all history.

So it comes as somewhat of a shock to the American people to find that Russia apparently is advancing at a faster rate in certain scientific and industrial fields than we are. In the grim battle for the minds of men, and in the midst of a world beset by many complex problems, the Russian threat in scientific achievement becomes a matter of tremendous importance to the welfare and security of our nation.

Now, what can the Research Triangle do for North Carolina? The necessity for such a development should be clear to all of us, as we survey available resources for the industrial development of North Carolina. We need more industrial development to provide the economy which we must have, and this requires that industrial development be at a higher level or quality and income than we have had in the past. In the modern industrial world this means, essentially, development based upon scientific research and the application of that research to industrial production. There are three major reasons why it is now realistic to talk of converting the potential of the Research Triangle into the reality of a major industrial research complex:

1. As I have already noted, this sort of development has happened in other parts of the nation wherever there has been a significant development of academic research.

2. Also as I have mentioned, our nation needs this type of development and only through the development of such research centers can we train and hold the type of scientific personnel which we must have. We cannot encourage our young people to go into scientific fields unless there is an opportunity and a fu-

ture ahead for them. It has been estimated that the Research Triangle could ultimately expect to bring more than 20,000 to 25,000 people into that area. Also, more and more industry is coming to realize that in order to keep good scientific people, these people must have access to good colleges and universities and must be allowed to continue their studies and advance their careers. All of these things are available in the Research Triangle area.

3. It is realistic to speak of this development in the Research Triangle because the industrial and urban development of the South has either reached, or is rapidly approaching, the point at which it not only needs but can support such a major industrial research center.

Because of the growing importance of research, the presence of major research facilities in the state is becoming an increasingly significant factor in industrial location. This is true for two reasons. In the first place, an industry planning to locate in our state may be able to use to great advantage the services of research facilities near its industrial site, or the personnel working for or trained by those facilities. Secondly, the presence of research facilities usually indicates a favorable industrial climate, one which favors the location and expansion of industry in the state. You have an example right here in Charlotte. Before the Celanese Corporation finally located its laboratories here in Charlotte, Dr. Robert T. Armstrong, Celanese technical director, visited the Research Triangle two full days and conferred with President Edens and Chancellor Bostian and members of the staffs of the three schools. Dr. Armstrong is on our Research Triangle Committee and is of great help to us.

Research organizations tend to cluster together. Research facilities like to locate in areas where there already exist other research agencies, since much is to be gained by constant intellectual interchange among scientists and research workers. In the long run, industry also gains from such interchange. Because of the tendency of research organizations to concentrate geographically, research in those areas already carrying on research is destined to grow and expand.

Industrial research itself is now big business. It is estimated that expenditures for industrial research are now running at the rate of $5,000,000,000 a year, not including the outlays of educational institutions and the federal government. The total outlay by all agencies and organizations is believed to be in excess of $8,000,000,000 each year. Industry has discovered that good science is good business. Today there are more than 15,000 firms engaged in scientific research, and although the bulk of the activity is concentrated in the larger concerns, many of the smaller ones are using the services of independent research organizations.

We should recognize that research and its rewards are not the exclusive property of large business alone, although the bulk of the research dollar is spent by large companies. Joseph W. Wexman, director of the Management Seminar for Smaller Business at the University of Chicago, has pointed out that too many small firms, "close the door" on research, and then they are astonished when progress passes them by.

The Research Triangle will also make a great contribution to the agricultural economy of North Carolina. Time will not permit me even to enumerate several examples, but agricultural research will benefit directly and indirectly from these new facilities. Incidentally, Union Carbide has located a new research farm not far from the Research Triangle area.

As an example of what can be done in planned research centers, the Stanford Research Institute (compare this one-college location with the three in North Carolina), at Menlo Park, California, was founded in 1946 by the trustees of Stanford University at the request of and with the support of leaders in western industry. It was created in response to the need for an applied research organization to help meet technical and economic problems of the western states.

Stanford Research Institute has a staff of over 800 full time scientists and technicians. Annual contract research now amounts to approximately $15,000,000 (visualize the effects of a new $15,000,000 payroll on economy of North Carolina). The operating budget is paid out of research contracts.

During its twelve years of existence, Stanford's Research Institute has worked on more than 2,400 projects. All of these were supported by industry. Last year, the institute started with 334 active projects and added 378 new ones.

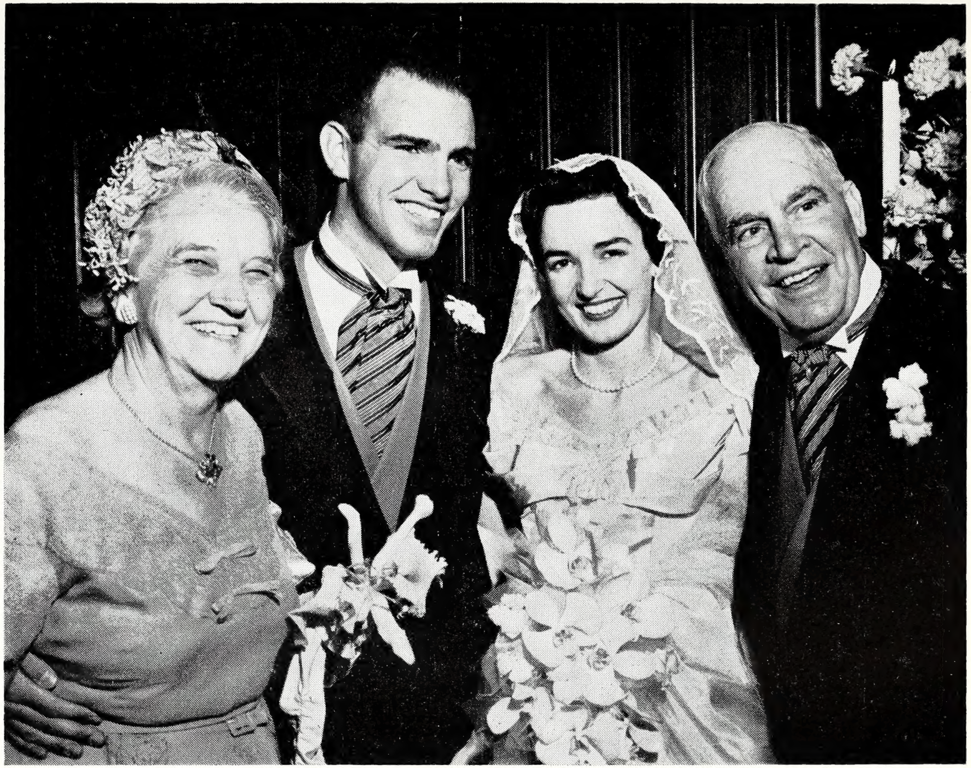


Photo by Hugh Morton

Mrs. Hodges, Luther H. Hodges, Jr., Mrs. Luther H. Hodges, Jr., and Governor Hodges at the wedding of Luther H. Hodges, Jr., in Monroe, February 15, 1958.

Charlotte News Photo

Tour of the new Wachovia Bank and Trust Company building in Charlotte, March 12, 1958. *Left to right:* Joseph H. Robinson, senior vice-president and head of the Charlotte office of the bank; John F. Watlington, Jr., president of Wachovia Bank and Trust Company; Governor Hodges; F. Sadler Love, executive secretary, Cotton Manufacturers Institute; Mary May Mitchell, teller in the bank at Charlotte.

On the outskirts of San Antonio, Texas, a new $50,000,000 "science city" is being built on 3,000 acres of land. Forty plots have been set aside for industrial research laboratories and high-level technical manufacturing units. Every facility will be made available for scientific personnel and workers. The administration will be centered around Southwest Research Institute and the Southewest Foundation of Research and Education and expects to have an operating budget of $5,500,000 annually, with 600 employees.

There is a new research center at Birmingham, Alabama, where the Southern Research Institute is busily engaged in contract research of all types. So we see that our efforts here with the Research Triangle and elsewhere are necessary if we are going to keep pace with other states.

The world of industrial research is moving rapidly. We must not miss any opportunity to make our contribution and to develop our own resources, wherever they may be.

We are all proud of the growing research activity here in Charlotte and believe that you will see continued growth in this vital field.

The Celanese Corporation's main development laboratories and Stein, Hall & Company's new facilities are the latest in this area's parade toward new industrial heights. Equally important and making a contribution to the overall industrial welfare of the area and the state are: Arnold Hoffman & Company, Carbic-Moss Corporation, Charlotte Chemical Laboratories, Duplan Corporation, Froshling and Robertson, Incorporated, Fulbright Laboratories, Incorporated, and Parks Cramer Company.

As you well know, it was the efforts of the far-sighted leaders in this county and in adjoining Anson County that brought about the recent exciting announcement about Industrial Testing Reactors, Incorporated, of Wadesboro. The initial release announced the basic project would cost $12,000,000 and employ 500 people with an annual payroll of $2,000,000.

There is another major factor which should be considered in encouraging and supporting the Research Triangle and the growth of research generally in the state. This involves the steady loss each year in North Carolina of hundreds of trained college graduates who are forced to leave the state to find proper employment and economic opportunity. There are 1,200 students graduating each year just from Carolina, Duke, and State. What opportunities are we offering them here in Charlotte and in the state, especially those trained in the scientific and engineering professions?

North Carolina's own Carl Durham, chairman of the Joint Committee on Atomic Energy, expressed our fears from his own experience in a personal letter written several months ago when he said. . . . "I have been worried about the fact that we have lost most of our research talent in the colleges for many, many years. Living in Chapel Hill I have seen top individuals go to the plants, especially in the East, when we needed them so badly in the South. I have had a personal experience in my own family. My oldest daughter was a research chemist, and she had to go to New York to secure what she wanted. My son secured his master's degree in ceramics and went with General Electric and now is in Cincinnati."

In my opinion, the boundaries of the Research Triangle will reach across North Carolina, across the nation, and across the world. While its heart will pulse in the counties of Orange, Durham, and Wake, its influence and productive activity will provide new life for every part of North Carolina, the Southeast, and the nation. It will mean a great deal to Charlotte and Mecklenburg County. You will feel the impact of the Triangle and should take every advantage of its existence in your plans for the future.

If we are going to attract and hold new industrial plants and new industrial research organizations, we must work together closely and unselfishly toward common goals and objectives. Our competition from other states and areas is fierce, and we can expect it to grow each year. This is not surprising when you consider that the national "market" in research alone amounted to an expenditure of $7,300,000,000 in 1957, with an expected $8,000,000,000 this year and approximately $10,000,000,000 in 1961. The stakes are high, and we in North Carolina must be prepared if we expect to meet the demands of this "market".

Charlotte is well equipped to meet the challenge of the future. You have the transportation, communications, utilities, banking, and other facilities it takes to do the job. You also have the leadership in outstanding people with great enthusiasm, initiative, ability, and vision. Charlotte has demonstrated that it can and will look beyond its own city limits at the needs of the Piedmont and the whole state. You recognize that your future is closely tied to the total welfare and growth of North Carolina.

There is certainly no doubt that the state's welfare is closely related to Charlotte and Mecklenburg County. According to the state tax research people, Mecklenburg contributes 11.4 per cent of the General Fund while it has only approximately 5 per cent of the state's population. For each $1.00 that Mecklenburg and Charlotte received from the state school funds, the economy of Mecklenburg paid to the General Fund $4.50. You are enlightened people and you must realize that you must help the rest of the state for your own long-range benefit.

I would like to urge that you here in Charlotte, as in our other cities and towns, extend your concern and your interest beyond city or county limits so that you may feel that North Carolina and its other ninety-nine counties can be considered a part of your own backyard. With modern transportation, communication, and rapid advances on all fronts, we should not be bound by mere distance or geography. There is a great future and a wonderful opportunity for all of us in North Carolina if we will work hard for the larger goal of the welfare of every citizen in North Carolina. This is especially true in all our efforts to improve the economy of this state. Why should you in Charlotte and Mecklenburg support and help develop the Research Triangle? Let me list just a few of the many reasons:

1. It will bring greater development to your section.
2. The Triangle will give you another powerful argument to use with new prospects.
3. The Triangle will, in the long-range future, add greatly to the state's wealth and that of your area.
4. It will help even out the burden now unevenly shared. (It isn't sound to have over 50 per cent of the state's industrial payroll in only ten of the 100 counties.)
5. You are a vital part of North Carolina, and the state deserves your active interest and support.

In closing, let me say to you that North Carolina has a great future if our community and state leaders have the vision and courage to lead. We have the natural resources, wonderful people, fine attitude, and a great home market for our goods and services, not to mention other markets nearby.

I know that we can count on you in doing your share in building a greater Charlotte, Mecklenburg, and state of North Carolina.

Thank you!

SPEECH AT THE SEVENTH ANNUAL LEGISLATIVE WORK CONFERENCE OF THE SOUTHERN REGIONAL EDUCATION BOARD

CHARLESTON, SOUTH CAROLINA
August 21, 1959

[As chairman of the Southern Regional Education Board, Governor Hodges was in Charleston, South Carolina, on this occasion to speak at the opening session of a four-day conference attended by legislators, other state officials, and educators from the sixteen states represented in the board's membership. The subject of the Charleston meeting, which was in the nature of a legislative workshop, was the financing of higher education, a matter of much concern to Governor Hodges and one in which he had had considerable experience in North Carolina.]

Mr. Chairman and Members of the Legislative Work Conference:

As chairman of the Southern Regional Education Board, I welcome you to this conference and thank each of you for coming.

This is a conference of, by, and for legislators. The other state officials and the educators who are here are present as guests and to help you in your consideration of the problem of financing higher education. The ultimate policy decisions with respect to financing public institutions of higher learning in each of our states will be made by the respective legislative body of each state, and you as legislative leaders in your states will have an important role in making those decisions.

This conference is sponsored by the Southern Regional Education Board, which is a public agency created by inter-state compact, originally joined by ten states, and now supported by sixteen states in the southern region.

This regional organization is now in its tenth year of operation. Its purpose is to serve the cause of higher education in the South. Its objective is to assist the states, through voluntary cooperation, in getting the most possible from the higher educational resources available to us in this region. Although the Southern Regional Education Board, as a public agency maintained by the governments of the sixteen participating states, gives much of its emphasis and attention to the problems of the publicly supported institutions of higher education, actually this agency is regional in scope and its aim is to serve the total cause of higher education in this region, private as well as public.

It is the purpose of this conference to lay facts before you, to provide you with as much of the general data about the financial problems of higher education in this region as is possible at this time, and to develop ideas and alternatives for your consideration. So far as possible and practical, we want at this conference to deal in specifics and to discuss those problems and those possible solutions which might be of some real practical benefit to you as legislators.

However, there is one thing for which we are not here. This conference has not been called to present you with any blueprint for your particular state or to tell you what you should do in your own state with your own problems.

I hardly need to say what has already been said on countless occasions during the past two or three years. Our nation, as well as our region, is facing a crisis in education. Note that I used the term "education," rather than just "higher" education. While this conference will deal primarily with the problems and the needs in financing higher education, we certainly cannot forget the over-all problem of education in each of our states and we cannot forget that to a very great extent the financial problems of higher education are also the financial problems confronting us at the elementary and high school level. Furthermore, you gentlemen, as legislators, have the same (or perhaps it should be called "far greater") burden of responsibility with respect to financing our public schools as you do with respect to financing our institutions of higher learning.

That the crisis in higher education is a national problem is well pointed out by the action of the Congress and the executive branch of our federal government in providing for a "Committee on Education Beyond the High School" in 1956. An interim report of this committee was submitted in November, 1956, and its second report in July, 1957. The committee's report emphasized a point to which SREB has given considerable regional emphasis for some time. That is, during the next ten or fifteen years the colleges and universities of America will be called upon to perform something close to a miracle. Our colleges and universities will be asked to provide education of a continually improving quality to a far larger number of students—an estimated 6,000,000 by 1970 compared to approximately 3,000,000 now.

The vast increase in population and consequent explosive growth in the prospective number of college students nationwide represents a trend particularly applicable to the sixteen states comprising SREB. In these sixteen southern states, total enrollment in publicly-supported institutions of higher education in 1948 was almost 365,000. By 1957 this enrollment had increased more than one-third, to 496,000. By 1959 it is estimated that enrollment in publicly-supported institutions of higher education in our sixteen member states will total more than 582,000, and by 1970 it will be 914,000. If these estimates are reasonably accurate, the sixteen states represented here today will experience a *triple increase* in enrollment in publicly supported institutions of higher education in the short twenty-two year period from 1948 to 1970.

Out of a total enrollment of over one-half million in public and private institutions in 1948, approximately 61 per cent of the students were enrolled in public institutions. For our sixteen states in question, a total enrollment in public and private institutions of 1,255,000 students is anticipated in 1970, and of this total, some 72 per cent will be enrolled in *public* institutions! This creates problems for you!

Obviously, if our states are to meet the educational task which we shall face, we must have some extraordinarily good planning and extraordinarily good judgment on the part of responsible officials and educators in these states.

Aside from the basic fact of a vast increase in the number of students, which increase alone will call for many more dollars for higher education, what is our present relative position and what would it be without any great increase in population or in the prospective number of students? We need to take serious note of what was pointed out in a 1956 report of the Carnegie Corporation on the role of the colleges and universities in this country. This report after noting that the present quality of higher education is greatly lacking in many respects, stated that our total expenditures for higher education in America were less than 1 per cent of our gross national product. On the other hand, the people of America are spending one and one-half times as much on tobacco products each year as is spent on higher education; and about two and three-quarters as much on alcoholic beverages.

This sort of comparison is certainly not very complimentary to the American people and to our composite judgment of what is good and desirable in life. The comparison is even more unfavorable when we look beyond our national borders and give some attention to what is being accomplished in the field of education in other countries, and in particular in Russia.

Let me first make clear that I am not one of those who subscribe to the philosophy of "keeping up with the Joneses" just for the sake of the up-keep, whether in matters involving international neighbors or in matters involving next-door neighbors. Thus, I hope that I have managed to maintain a balanced judgment concerning much of the comment and discussion on the relative progress of America and Russia in education, in scientific achievements of various sorts, in the development of military weapons, and so on down the line.

However, after taking due precaution not to get off balance on the point of Russian versus American progress, certainly no sensible and informed American can fail to feel some degree of concern over the developments of the past decade. Whatever we may say about the pros and cons of the Russian system of education and whether its means or even its objectives are good, there are some very important facts which we would do well to recognize. Some of these facts were pointed out in an address delivered to a conference of graduate deans at Santa Fe, New Mexico, in

August, 1957, by Dr. Alvin C. Eurich, who had just recently returned from a visit to Russia. Dr. Eurich first emphasized that he was in wholehearted agreement that we cannot and should not adopt Russian procedures or imitate Russian methods of education as such. However, he continued, there are some educational facts of life we certainly should not ignore.

Russia has no teacher shortage at any school level. Some of the reasons are obvious. The university teacher in Russia is about the highest paid person in Russia's economy, except for the party leaders and some factory managers. The psychological rewards as well as economic rewards are great. The Russian teacher, especially at the university level, enjoys a great prestige.

The Russian educational system is rigorous, it is rigid, and it is highly centralized. Dr. Eurich states that by the time a student has completed the Russian secondary school he probably has an education equivalent to the first two years of college in this country. He has had ten years of Russian language and literature, ten years of mathematics (arithmetic through trigonometry), five years of physics, four years of chemistry, *six years* of a foreign language (English, French, or German) and seven years of history and social studies. (America has very, very few students of the Russian language, and I know of no high school in the country that offers a course in the Russian language.)

I have cited these facts simply to give a bit more emphasis to a major premise which I believe underlies the discussion at this conference. That is, America needs to do a great deal more in raising the quality of education, and we need to do that irrespective of what some other nation or international neighbor has been able to accomplish or might do in the future. If this is not sufficient incentive, however, we need also to consider that this nation's most dangerous antagonist has been steadily and rapidly closing the gap between it and America, and even today in some respects has surpassed us in scientific and technological advancement. I leave to others to dwell in detail on the significance such development has in terms of our national survival.

The theme of this conference is "Financing Higher Education." Therefore, the very nature of our subject would prompt us to consider not only the sources from which we can derive support for higher education but to consider also our needs. We cannot begin to make any intelligent judgment on the overall financial problems in higher education until we have an accurate and comprehensive notion of what our needs are, and further, until we have reached some general agreement concerning the quality and the content of higher education.

In general terms, I think that the needs confronting our institutions of higher learning can be stated quite simply. We need, first, sufficient money to pay our teaching personnel not only adequate but reasonable salaries, and we of course need a sufficient number of instructors and professors to fulfill the classroom demand. Second, we need enough buildings to house the number of students that we will have. I mean by this enough classrooms, laboratories, and dormitories.

With the teaching personnel and with an adequate physical plant we would have two of the three essential ingredients to make up an institution of higher learning. The third and very essential ingredient is of course a student body. And in passing, I would like to note that not only do we need highly qualified personnel to teach in our colleges and universities; we also need a "qualified" student body. (I will comment later in more detail as to what I mean by "qualified" student body.)

Most assuredly, in analyzing our problems and needs in financing higher education we must give the most careful attention to the role of the college professor. Not long ago Dr. John R. Cunningham, former president of Davidson College in North Carolina, told one of his graduating classes that "the professor is the key man of America's future. The teacher is the custodian of the past, the idea man of the future, the model and inspiration of youth. We must recognize the professor for what he is and reward him duly for what he does."

I think this is a fair appraisal of the true role and the value of the teacher, at whatever level in our educational system.

Let me now comment further on the matter of physical facilities of our institutions of higher learning. I suppose that for the most part we would consider that such facilities as dormitories and dining halls should be self-supporting. To a considerable extent colleges have been able to build and maintain such facilities out of revenues. The present program of federal loans at low interest cost for the construction of income-producing facilities such as dining halls and dormitories has been of considerable assistance in North Carolina, and I am sure also in your states.

What about our situation in classroom and laboratory facilities, however? Here, I think we need to do a lot of hardheaded and sound thinking. I do not suggest that the institutions in our sixteen states have for the most part an adequate number of classrooms and laboratories for the present and the foreseeable future. Certainly, with a prospective increase in enrollment within the next fifteen years approximately double that which we have today, we must anticipate the necessity for constructing more classrooms and laboratories. However, I don't think it is necessary for us to assume that with twice the number of students we will automatically need twice the present number of classrooms and laboratories. Do we not need to give careful thought to the extent to which we now use or do not use our physical facilities?

I am under the impression that our large metropolitan colleges and universities probably use their classrooms and other facilities to the very maximum extent, with classes running morning, afternoon, and night, while institutions that are located on campuses tend to under-use their facilities. For example, consider your own state university, and you are quite apt to find that for the most part no laboratories are used in the mornings and very few classrooms are used in the afternoons. If we make a careful analysis of the weekly use of classrooms, based on an eight-hour day for five days a week, we are apt to find that many of our classrooms are in actual use less than 50 per cent of the time.

There is another aspect to this question of classroom facilities, and that is how large should a class be, or how many pupils can a single instructor adequately teach. The answer to such a question will certainly govern to a considerable extent the number of teachers we think we need, the number of classrooms we think we need, and the way in which we construct our classrooms. In fact, it is evident that our whole educational system is governed to a large extent by our conception of the proper size of the class.

Dr. Eurich in his address to the Conference of Graduate Deans at Santa Fe, New Mexico, to whose comments I have already referred, stated that he decided one day to try to find out the origin of the commonly accepted formula that we should not have more than thirty students in a classroom at the elementary school level, twenty-five students in a classroom at the secondary school level, and perhaps an average of one teacher for every thirteen students at the college level. So he inquired of several people in the course of his travels as to who first said that we could carry on the best of instruction with only twenty or twenty-five or thirty pupils. Finally a faculty member at the University of Michigan told him that he believed the formula was recorded in the Talmud.

As Dr. Eurich tells it, he could hardly wait until he got in touch with a Talmudic scholar and asked him if it were true that the pupil-teacher ratio was recorded in the Talmud. The answer came back, yes, in the Babylonian Talmud, in the third century, the rule was established by Rabbi Raba, an authoritative sage of his day, that "twenty-five students are to be enrolled in one class, and if there are from twenty-five to forty, an assistant must be obtained, and above forty, two teachers are to be engaged."

I am simply suggesting that we might profitably be a little less formula-minded and be willing to re-examine some of our basic concepts in this area. Some classes in our colleges and universities should perhaps have no more than a dozen students. It is undoubtedly equally true that other classes would permit just as effective teaching with ten times that number.

I have mentioned the role of the competent teacher and the instructor needs confronting our institutions—needs which can be met only with greater financial support. I have also mentioned the matter of classrooms and physical facilities and some possibilities which we ought to explore so as to utilize as effectively as possible the physical facilities which we already have. Given the building and given the teacher, we need only the students in order to have a college or university.

But let me ask some searching questions on the matter of students. Do we not need "qualified" student bodies as well as qualified instructors and professors? I mean by this students who are capable of utilizing college training and who have a sincere desire to obtain a college education.

Increasingly in the past few years we have heard more and more talk on the use of college entrance examinations. The university of my own state installed such a requirement some three years ago. Other colleges and universities in the states represented here today probably have a similar requirement. Yet, I suspect that many of the higher education institutions in the sixteen states represented here do not have any sort of entrance examination as a requirement for entering the freshman class. Perhaps the basic merits of such examinations, as an accurate indication of the prospective student's capacity and his interest, can still be debated. According to my own information, such tests have been used sufficiently and the results of the tests compared in sufficiently large number with the actual records of students so that the educator and the statistician will tell you that the entrance examination is a valid and trustworthy measurement of the prospective student.

I do believe this: the legislator could very well ask some searching questions on this matter and inquire of every college president who seeks appropriations from the legislature as to whether the students entering his freshman class are interested in obtaining a college education and have the capacity to benefit from such an education.

In one sense, the conclusion that a special college entrance examination is needed is an indictment of our high schools. Ideally, when a boy or girl graduates from a high school in any of our states, the high school diploma ought to be sufficient documentary evidence of the student's qualification to enter college. Yet, we know that every young person who obtains a high school diploma is not qualified by aptitude and endeavor to benefit from college training. Furthermore, I doubt that graduation from high school should automatically mean that the graduate should pursue further academic training. What has been suggested, and what seems to me to have considerable merit, is that our high schools ought to have more flexibility in their training and perhaps some distinction in the type of diplomas conferred upon graduation, with one diploma indicating that the holder is eligible for further schooling and the other simply indicating his completion of the minimum high school curriculum.

To bring into sharper focus the role of the student in our consideration of financing higher education, we can reach certain conclusions. Because of the great cost involved, our institutions of higher learning, whether private or public, are in a sense subsidized and will continue to be so. That is, the students themselves, or their parents, do not pay the full cost of attending the college or university. This means that the difference must be made up out of taxes or by private gifts. This being true, I think we should insist, as taxpayers or as private citizens making our voluntary gifts to a private institution, that the institution admit to its student ranks only those persons who have demonstrated their reasonable qualification and a reasonable degree of interest in obtaining a higher education.

I think that as taxpayers or as voluntary contributors we are entitled to insist that our college administrators ought to take reasonable precaution to exclude the indolent and the manifestly unqualified who could realize no particular benefit from being subjected to further academic training. However, I wish to make clear my own opinion that we should not deliberately, by stricter admission policies, exclude any student who has the capacity for and the desire for a higher education but who happens not to have the money in his pocket. I don't think we are going to shut the doors of the colleges and universities to qualified students, whatever the numbers. As we have so often in our history, we shall meet the challenge of the large numbers by greater and more intelligent effort and sacrifice. We shall find the ways and the means of making available college and university education to those who want and need such education, and can benefit themselves and society by having such an education.

I have devoted considerable attention to the various needs which we can identify upon our analysis of the problems in financing higher education. Let us now turn our attention to some of the specific sources from which we obtain financial support of our institutions of higher education. The sources of funds for financing higher education are not very numerous, and can be simply described as falling into one of the following categories: (1) tuition and student fees; (2) alumni gifts; (3) corporate and individual gifts; and (4) taxes.

The first three sources named, that is tuition and student fees, alumni gifts, and corporate and individual gifts, apply both to private and public institutions of higher learning. For all practical purposes, taxes as a source of revenue do not apply to private institutions but are of course a most important source of revenue for our public institutions.

For purposes of our conference, I doubt the feasibility of any detailed discussion of various tax revenues or possibilities of additional specific taxes on certain items. Tax policy is too much of an individual policy for each of our states, and the responsibilities which state government meets out of its tax revenues include so many other items in addition to higher education that it would be difficult to identify specific tax sources and specific tax revenues which would be allocated to our institutions of higher education.

There is one particular question coming under the category of taxes to which I think this conference could profitably give some careful consideration. That is the relative role of the federal government in financing higher education.

The 1957 report of the President's Committee on Education Beyond the High School concluded that the role of the federal government in higher education should be definitely "residual." That is, the federal government should come in by way of assistance and supplementation only after local and state governments and private sources had done all within their capability. Also, the committee expressed the view, with which I am sure we all would concur heartily, that the federal government should in no way assume powers of control in the field of higher education.

Actually, we have had many federal programs in education over the past century, ranging from the land-grant college program in Abraham Lincoln's day to the more recent G. I. Bill of Rights. We also have the National Science Foundation programs, public health fellowships, the college housing loan program, and many others.

We have had a great deal of discussion during the past several months concerning specific new federal proposals, and I think it would be worthwhile sometime during this conference to have a review of the specific proposals which have recently been before Congress and the action which has been taken to date on these various proposals affecting education in general and higher education in particular.

A most important source of income for any institution of higher learning, whether private or public, is tuition and student fees. The determination of the amount of tuition and student fees which shall be charged is perhaps one of the most difficult decisions which confronts the college administrator and ultimately the legislator in the case of public institutions. If your state is like North Carolina, you probably have a policy to keep the tuition and student fees at your state-supported institutions as low as possible.

With this general objective, I am sure we all agree. On the other hand, if we are to be completely realistic and if we are to make any effort at all toward raising the quality of education, toward increasing to any extent our instructor salary schedules, and if we are to meet the avalanche of student enrollment, we know that our tax resources will be stretched to the limit. Therefore, it behooves us to give periodic re-examination to the relative amount of revenues derived from our tuition and student fees.

Dr. Barnaby C. Keeney, president of Brown University, has a most interesting comment on this matter published in the November 8, 1957, issue of *U. S. News & World Report.* Brown University, as you know, is a private institution. Dr. Keeney reported that during 1956 Brown University operated on a budget of about $9,400,000, of which amount some 60 per cent was paid by the students. This amount from the students included not only tuition and fees but the board and room costs on which the university paid out as much as it took in. The total bill for education, excluding room and board, was $5,800,000 but the receipts from tuition amounted to $3,500,000. Therefore, Dr. Keeney reported that the students at Brown paid just about half of what it cost the university to have them there in 1956. He concluded that Brown University, like most other privately-supported institutions, could not under the prevailing system grow to accommodate the larger population anticipated in the years ahead because the university could not pay for what it is now doing. He noted that already the members of his faculty were not being paid as much as they should be paid. The problem simply was to find a way to meet the financial cost of operating Brown University but do it in such a way that no capable student would be excluded solely for lack of money to pay his bill.

Dr. Keeney threw out this specific proposal for consideration. The total student body would be divided into three groups, with reference to financial ability. The first group would consist of those who would pay a tuition approaching the full cost of education, which at Brown University on the basis of 1956 figures would be approximately $2,000 per year. The second group, which would be the largest group in the student body, would consist of those who could pay the full cost of education, partly out of current income and partly over a period of years just as a person pays for a house on a mortgage or for an automobile on an installment plan. The third group would consist of students whose families have no substantial financial resources, either current or capital, and who could not under any circumstances be expected to pay the full cost of education, either out of present income or capital and probably not out of future income. Most of this group would pay a good part of their way out of their own earnings and they would meet part of their expenses in scholarships and they would borrow part to repay from future earnings. In any event, they would have the opportunity to continue to come to Brown University. This was the basic idea contained in Dr. Keeney's article published in November, 1957.

I don't know that the specific proposal advanced by President Keeney would be of practical value or acceptability to any of our institutions in the states represented here today. In particular, I doubt that we would want to adopt such a policy in its complete form for our average publicly supported institution. However, it seems to me that we could profitably give more careful attention and more careful analysis to the relative financial share which is borne by tuition and student fees. In some instances, we might well find that the tuition charged the student and his parents is not only drastically below the actual cost of maintaining and operating the institution in question, but is also considerably lower than that which might reasonably be borne by the average student and his parents.

We have been concerned in our state about the cost of a college education, both to the state (which has so many state services to pay for) and to the student. I have recently asked a leading banker to make a survey for use as to a long-range financing plan for prospective students, sponsored by the banks of the state. This idea is being used in some parts of the country now.

I would like to make this further observation. I have the impression that many of our high school graduates who rank in the upper third of their class and who would be our potentially best college students are not receiving full and complete information

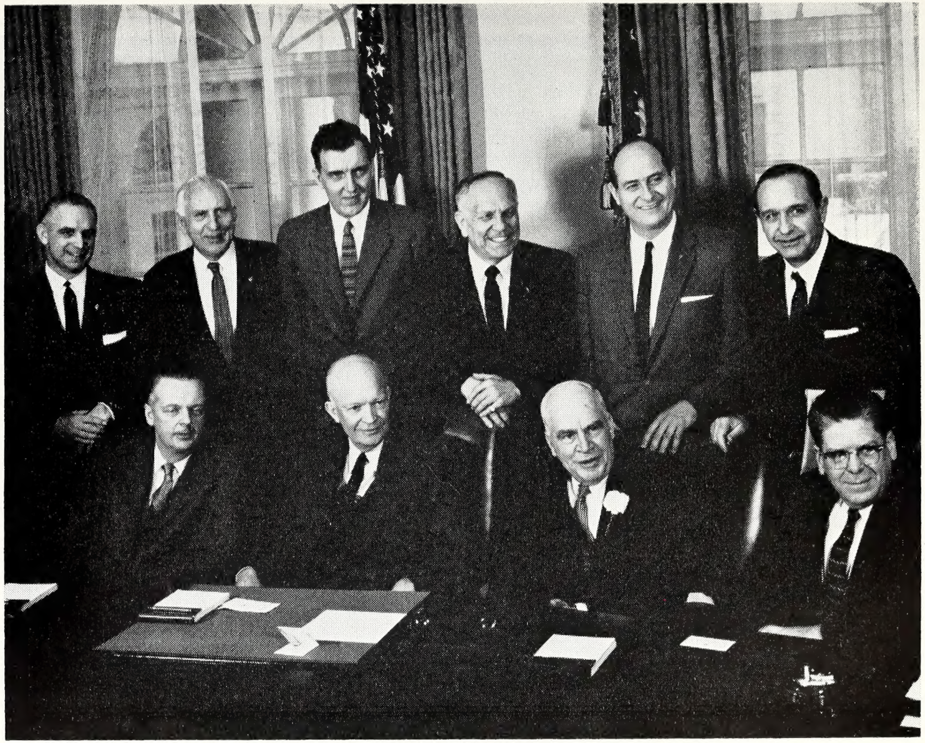


Photo by Hugh Morton

Governor Hodges and other governors in Washington at a conference with President Eisenhower on the economic situation, March 19, 1958. Standing *(left to right):* Governors John E. Davis, North Dakota; Joseph B. Johnson, Vermont; Edmund S. Muskie, Maine; Goodwin Knight, California; Albert D. Rosellini, Washington; Orval E. Faubus, Arkansas. Seated *(left to right):* Governor William G. Stratton, Illinois; President Eisenhower; Governor Hodges; James P. Mitchell, Secretary of Labor.

News and Observer Photo

Governor Hodges with Dr. James L. Cathell *(center)*, superintendent of Butner Hospital, and John W. Umstead *(right)*, chairman of the North Carolina Hospitals Board of Control, at the dedication of the new Butner Training School, April 10, 1958.

on the possibilities of financial assistance in attending college. First, I doubt that our colleges, both private and public, are doing a sufficiently adequate job to inform prospective students of available scholarship funds. Second, I don't think that our institutions are doing a sufficient job in informing our high school graduates of the various loan funds which may be available. I don't say that this condition exists with respect to everyone of our institutions of higher learning but I am sure that it exists with respect to some. Therefore, our legislators would do well to interest themselves in this particular point and to insure that our publicly supported institutions meet their responsibilities in this respect.

I also feel that our young people are not receiving the encouragement that they should to borrow some money in order to get a college education. Again, it is a rather sad commentary on our scale of values in America that so many young people in their late teens or early twenties think nothing at all of going into debt for $2,000 or $2,500 to purchase a new automobile which will be depreciated to about zero in five or six years. Yet, many of the same young people apparently would not think of borrowing the same amount of money to help finance their college education—to obtain a commodity on which there would be no depreciation.

I may be a bit old fashioned in thinking it is all right for a person to work a little bit hard for something of value; but perhaps based on my own personal experience, I do believe that, if it is not good for a person, at least it is not fatal to put out some extra effort and undergo some extra sacrifice in order to obtain a college education.

If our young people of today have failed to utilize available loan funds to the extent possible, I do not blame them so much as I would blame their parents and the college administrators of today. The main failure, if there has been one, is with us adults.

In our consideration of the problems involved in financing higher education, there are many other items to which we should give attention. Some of these will undoubtedly receive consideration during the course of this conference.

For example, there is the matter of television and its potential use as a valuable educational aid.

There is the idea of the community college development and the extent to which the two- or four-year community college is feasible and practical in meeting the greatly increased student load through the next two decades.

Another item deserving consideration is that of administrative organization in higher education. Certainly our states should have the best administrative structure which can be devised if our college administrators are to make the maximum use of the educational tools which are entrusted to their care.

At a regional conference, it is pertinent to take note of the basic economic position of the region. We know that on the basis of per capita income the states represented in this conference stand generally at the bottom of the national list. I am glad that Dr. Harold Clark is your speaker for tonight. He is an outstanding educational economist and will have some important things to say to you about the relationship between higher education and the economy of our region.

The panel of experts to be quizzed at tomorrow's legislative hearing will concern itself with some of the specific problems we face in providing adequate programs for higher education in our states and with some of the alternatives for meeting these problems.

Governor Coleman of Mississippi will be your final speaker on Saturday. Governor Coleman is a leader of foresight, of courage, and of wisdom. I commend to you the things that he will have to say on this important subject.

Again, may I thank each of you for taking time from your busy schedule to meet here in Charleston in the interest of regional cooperation in higher education. In your detailed discussions at this conference, I hope that you will find a real benefit, in terms of your own problems and needs, from this regional sharing of experiences and views. I believe that you will.

ADDRESS AT THE TWELFTH ANNUAL CONVENTION OF THE NORTH CAROLINA STATE EMPLOYEES ASSOCIATION

DURHAM

September 6, 1958

[Clifton Beckwith, executive secretary of the North Carolina State Employees Association, had said in a speech on the preceding day of this meeting that a flat 10 per cent increase in the pay of state employees was necessary in order to attract and retain competent young men and women in state jobs. Governor Hodges, who had opposed an across-the-board increase in 1957, reiterated his position and said that salaries should be based on competition and achievement rather than on the availability of surpluses in the state treasury. In support of his stand the Governor said that state employees in North Carolina fare well in pay as compared with other North Carolinians and added that the state's policy with respect to vacations, sick leave, retirement, and other benefits was among the most liberal in the United States.]

I have always considered it a great honor to be given an opportunity to meet and talk with the men and women who are primarily responsible for operating the fine state government we have in North Carolina. It is a particular pleasure this year because we are nearing the completion of a year that I sincerely believe will go down as one of the most significant and productive periods in the history of our state.

Much has been accomplished since our meeting here last September. North Carolina has clearly maintained its position of leadership in good government among the states of the South and has increased its influence in other areas of the nation. Despite many handicaps and temporary setbacks, we are moving ahead in our economic development. North Carolina has weathered so far a period of recession that severely troubled many other states.

I have had many opportunities in recent months to speak to various state boards and commissions and to different groups throughout the state who contributed to the progress that has been made. On each occasion I have expressed my sincere appreciation, and that of the people of North Carolina, for the time, the effort, and the dedication that made their contribution possible. Tonight, I am again privileged to have such an opportunity.

There is no question in my mind about the fact that of all the groups and individuals I have commended for their part in our progress, there is perhaps no group more deserving of a fair share of the credit than our state employees, including, of course, our department heads and supervisors. I make this statement, not because it may be appropriate to the occasion or because it might be expected of me, but because it is true. And in so doing, I refer particularly to the rank and file employees whose talents, services, and loyalty are indispensable to the efficient execution of the state's responsibility to the people it serves.

We are fortunate in North Carolina to have state employees who recognize the responsibility that is theirs. I do not contend that there are not some few who abuse their responsibilities, who fail to take advantage of the opportunities for service that are afforded them, who continually refuse to recognize the regrettable but true fact that the actions of one state employee reflect on all state employees. And human nature is such that a single irresponsible act on the part of one employee can erase all the good will and respect that has been built up over a prolonged period of time by a hundred employees.

Fortunately, the vast majority of the men and women employed in state government in North Carolina are fully aware of their responsibility to their fellow workers. The reason for this is to be found, I think, in the high degree of integrity and competence of the individual employee.

The "esprit de corps" that now exists among state employees cannot exist unless there is pride in the work being done. And when there is pride there is also a determination to do the best job possible in order to justify that pride.

I should like to recognize your president, W. B. Martin, your other officers and area chairmen, and your executive secretary, Cliff Beckwith. They are working hard at their jobs and have a sincere interest in good government and good government employees. When your association or its officers lose their "sincere interest" in good government and good government employees, we are all in trouble.

The state employee is continually confronted with his or her responsibility as a public servant. In the past he was considered by some to be somewhat less than a first class worker—simply by virtue of the fact that he was on the public payroll. He was subjected not only to the pressure of his job and to politics in many cases, but to the pressure of frequently unjustified and careless criticism. Under such circumstances it is not difficult to understand why his performance may be less than perfect on occasions. Please understand that I do not for a moment question the right—or more accurately—*the duty* of the individual citizen to maintain a high degree of interest in his government and in the individuals who compose that government. This is not only desirable but absolutely essential in a free society. The public employee, however, should be given the same consideration and understanding as any employee in private business.

In a recent newspaper article, referring to public service, columnist William S. White wrote that "no occupational group is more devoted and less complaining" and "that none is one-tenth so abused by the public it tries to serve." That this may have been the case in the past, and that such a condition may still exist in some quarters, I do not deny. But—and I believe you will agree with me—it is a condition that does not exist in North Carolina in the same ratio as some other states. It is a disappearing condition for the simple reason that the caliber of our state employees has steadily risen to the point where it holds the confidence of the public to an increasing extent.

The people—as has been demonstrated by the representatives they send to the General Assembly—believe that the state should provide fair and equitable rates of pay which are competitive with private business, industry, and similar governmental jurisdictions. Two years ago I believed that, in addition to a general salary increase, rates of pay for many critical technical and professional positions would have to be further adjusted to enable us to recruit and retain personnel. Since July 1, 1957, the State Personnel Council has approved salary range adjustments for over 200 classifications, affecting more than 2,000 employees. Maintaining adequate rates of pay is a continuing task which cannot wait for legislative action each two years. The goal now is to review rates of pay and make adjustments when necessary.

Since our object is to pay competitive salaries, it is necessary for us to know what the competition is paying. The Personnel Department and Employment Security Commission have biennially (since 1952) conducted wage surveys on forty bench marked jobs in 700 business establishments in North Carolina. The fourth survey now under way should provide some general indication as to present trends, but it will not be sufficient to determine rates of pay for the individual classes of work. The Personnel Department keeps abreast of salaries paid in other states. These two sources also provide a reasonable basis for determining rates of pay.

I make this statement to emphasize the point that rates of pay for jobs should be based on competition and on the job done rather than on the availability of surpluses in the state's revenue. Speaking of surpluses, I would like at this time to point out for the record and to refresh your memory that we are fortunate to have our current revenues hold up pretty well with our estimates and with the last fiscal year. The August report released yesterday shows small losses in some categories but a gain in the important sales tax category. Except for a war or other unforeseen event, I do not see how we can have any substantial surplus next June 30. On June 30, 1957, we had over $60,000,000 and you will recall we appropriated over $30,000,000 of it for operating expenses this biennium. As we plan our new biennium and take into account savings that have been made, we need $20,000,000 to $30,000,000 to start with. (This is on the assumption that our revenues for this fiscal year will hold up.) The additional amount needed for the continuation of present services under the "A" budgets amounts to approximately $48,000,000.

These figures do not include requests for new programs ("B" budgets) or capital improvement requests.

An erroneous impression is sometimes left with the public that state employees do not receive salary increases other than those granted by the legislature. As you know, your salary increment plan provides annual increases for approximately two out of every three employees and has been referred to as the most valuable stabilizing force for state employees. Under this plan the state has been providing annually about two and one-half per cent of the payroll for salary increments or increases. This year, for instance, approximately $2,500,000 will be granted in salary increases. This is beyond the general increase granted by the General Assembly and the pay rate adjustments to meet the competition.

With regard to working conditions, uniform work schedules with reasonable maximums are an important objective. Here are a few examples of the progress which has been made within the last year. The Hospitals Board of Control and the Board of Directors of the North Carolina Sanitorium System are due much credit for increased efficiency and organizational changes resulting in schedules of forty to forty-four hours per week. The Prison Department is to be commended for reducing the six-day work week to five and one-half days. The Highway Commission and Department is also to be commended for reducing the work week of its 6,000 maintenance employees from fifty hours to forty-five hours.

Air conditioning in state offices, where needed, is fast becoming the rule rather than the exception. New buildings, renovations, and equipment have added to improved working conditions in many departments. Modern, pleasant employee cafeterias exist in most large institutions. The old system of perquisites has been abolished. Employees receive a full cash salary and are free to purchase food and other services at a fair cash price in amounts required.

I think it is tremendously important that today there are career opportunities in practically every field of state service. Promotions, according to Personnel Department figures, average about 200 per month. This shows that the state's policy of promoting from within is really working. If further evidence of this is needed, let me cite a few outstanding examples: *Jim Currie,* whose promotion to the position of commissioner of revenue set off a chain of a half dozen other promotions with the Revenue Department; *Bill Hunt,* elevated from the Highway Patrol to chairman of the ABC Board; *H. C. Stansbury,* promoted from assistant director to director of Tax Research; *Paul Johnston,* promoted from assistant director of the Institute of Government to a staff position in my office and then to director of the Department of Administration; *Walter Harper,* promoted from industrial development representative to director of the Division of Commerce and Industry; *Earl Crump, T. D. Gunter, T. J. McKim,* and *H. D. Irving,* all promoted to assistant chief engineers in the Highway Department from division or staff jobs. And there are many, many more that I could name. I am proud that these promotions were made. I hope you feel the same way.

As state employees we should occasionally compare our employment situation with that of our fellow North Carolinians. We have, perhaps, one of the most liberal sick leave allowances of any state in the nation—two calendar weeks per year with no ceiling on the accumulation. This in itself is a sizeable insurance policy for a career employee if properly utilized. We have one of the more liberal vacation provisions in the nation—three calendar weeks per year, cumulative to thirty working days. We have a liberal number of holidays, ten this year, including three days at Christmas. Throw in the coffee breaks, which are sometimes abused, a good retirement program, social security, petty leave and the like, and you will agree, of course, that state employees fare well in comparison with our fellow North Carolinians. Some people feel that we are too liberal. I hope the work you do and your general attitude will overcome any such feelings.

Minimum standards of education and experience have, undoubtedly, raised the quality of employees entering state service. Department heads and supervisors have become more conscious of the necessity for employing the best possible person for the job. The State Personnel Department and Merit System are now developing and administering examinations which will be used increasingly as a tool in personnel selection. The demand for this service is already greater than anticipated.

In-service training is essential to efficient management. I encourage department heads, administrators, and supervisors to initiate training programs as a means of increasing efficiency and developing employee potential. I have encouraged this everywhere possible as it furthers our promotions from within and helps everyone.

At this point I would like to commend the membership of the Personnel Council for the many valuable contributions it has made to the state and its employees. Fred Royster, Earl Crump, Wade Barber, John Harden, and Bob Justice, all of whom are now serving under their third governor, have displayed a rare combination of talent and experience that has proven tremendously beneficial to North Carolina and its state government. I like their courage and their sincere interest in state government. I would particularly like to extend thanks to the council's chairman, Fred Royster.

As state employees, we appreciate the retirement benefits offered by the Retirement System of North Carolina. Let's look for a moment at how this system was created and what it has accomplished.

The Retirement System of North Carolina was established in 1941 and provided then for contributions of 4 per cent on salary up to $3,000. Many of our employees have since retired and their benefits in many instances have been only $15 to $20 per month after some thirty-five to forty years of service. As late as 1947 the average retirement allowance was approximately $40 per month for both teachers and other state employees. In recent years, members have been permitted to contribute on their total salary based on contributions of 5 per cent and this matched by the state has provided for increased benefits from the system.

Since the beginning of the Retirement System, 6,466 employees have retired. We now have 4,631 retired members receiving monthly benefits. There are 4,475 employees over age sixty who are eligible for retirement now. During the present year 863 employees retired which was an increase of 29 per cent over last year.

Effective January 1, 1955, the Retirement System was coordinated with the Federal Social Security program which has provided larger benefits for those retiring now and for those who retire in the future and guarantees survivor's benefits in the event of the death of the member before retirement. More than 120,000 public employees in North Carolina have been brought under Social Security largely as a result of this coordination.

The General Assembly has provided adequate funds during every session to operate the Retirement System on a sound actuarial basis. The retirement fund has today assets of approximately $221,000,000 which is the seventh largest in the nation. Of this $221,000,000, the employees and teachers have paid in $88,400,000 and the state $132,600,000. New York, New Jersey, Pennsylvania, California, and Ohio have larger reserves than does North Carolina. Their retirement systems were in operation years before the system in North Carolina was established. Only one southern state has reserves equal to North Carolina and that is the state of Texas. The North Carolina Retirement System has more assets than the combined reserves of Arkansas, Colorado, Idaho, Kansas, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Dakota, Wyoming, Utah, Minnesota, and Vermont.

This does not mean that we have too much money in the fund but that appropriations are made each year by our General Assembly to meet the liabilities of the system on a sound basis and keep faith with the teachers and other state employees. The National Education Association has a check list for evaluating a good retirement system, and the state of North Carolina meets all of the requirements in providing both benefits and adequate reserves for operating the system on a sound basis in the future.

The benefits paid under the North Carolina system compare favorably with the better systems throughout the country, and the average in North Carolina for last year, including Social Security, was $174 per month. The minimum during the last General Assembly for the Retirement System was increased to $60 per month for twenty years of service for those who had retired and for those who would retire in the future. More than 1,800 of these employees originally retired on amounts less than $30 a month.

For the biennium of 1959-61, $18,000,000 which represents general, highway, and special funds is being requested by the Retirement System management for each year to operate the Retirement System and pay for Social Security. The cost of Social Security will increase one-fourth of one per cent of the payroll on salaries up to $4,800 next January. This will be an additional cost to the state. By 1968 the cost of Social Security alone will cost the state approximately $10,000,000 or a total cost of approximately $23,000,000 per year for both retirement and Social Security from the highway and general funds.

We must safeguard our Retirement System and what it has to offer for all our employees. It is important that we do not undermine its sound operation through any proposal that cannot be thoroughly justified in cost and principle.

At my weekly press conference on Thursday, a question was asked about a basic change in the reorganization of the State Highway Commission. I explained the reason for the change, which involved a better system of accounting and cost control.

and then repeated a statement that I have made many, many times: My *only* interest in changing the organization or operation of any state agency is to seek improvement in the services rendered our people and to seek the best possible use of available tax dollars.

I have taken this approach in my work with the Highway Commission, the Prison Department, the Veterans Commission, the State ABC Board, the Utilities Commission, the Medical Care Commission, and others. My efforts have been met with a fine spirit of cooperation and understanding on the part of employees in these agencies, especially when they realized that I was actually trying to help them improve their services and solve some of their major problems, rather than taking personal political advantage from the changes. As the record will show, I have tried consistently in my dealings with state agencies to promote more merit and less political interference with the basic operations and personnel. We would be glad for your association or the press or any other group to take a critical look at any of the reorganization or changes that have been made.

In closing, may I thank you for your genuine interest in good government and in doing the kind of job which reflects credit upon your department and state government in general. To merit the continued confidence of our people, we must continue this type of service and seek constantly to find ways and means of improving our services by better procedures and lower costs. All of us, and this particularly applies to those of us in management and supervisory jobs, must do all we can to keep down unnecessary expenditures and to take the initiative in doing so.

Thank you for this opportunity to meet with you here, and I wish each of you continued success in the year ahead. By working together in the best interests of all our people, we can and will accomplish great things in meeting the many challenging problems facing North Carolina.

ADDRESS AT A SOUTHEASTERN REGIONAL MEETING OF YOUNG DEMOCRAT CLUBS

HENDERSONVILLE
September 13, 1958

[Governor Hodges and Senator George A. Smathers of Florida, chairman of the Senate Democratic Campaign Committee, were speakers at this meeting of Young Democrat leaders from twelve southeastern states assembled at Hendersonville for a two-day planning conference preliminary to the fall elections of 1958. "The Democratic party and the people of the South share a common destiny," and this relationship "has been, and remains, a mutually beneficial one," were the Governor's answers to those "irresponsible individuals . . . who would change all this" and "who openly express the view that the Democratic party can hold its own without the South, if necessary."]

I consider it a great privilege to have this opportunity to discuss the future of our region, our nation, and our party with the young men and women who, by virtue of their membership in this organization, indicate a willingness to shoulder the responsibilities of political leadership in the critical days ahead. It is a pleasure to welcome Young Democrats from our neighboring states to North Carolina where the Young Democratic movement was born. We are deeply honored to have United States Senator George Smathers and other distinguished visiting Democrats. And it is always a pleasant experience to meet with the young people of my own state who share my unbounded faith in the Democratic party and my dedication to the high ideals upon which the party is founded.

It is, I think, appropriate that you have chosen to meet here in Hendersonville, in a county that has accurately been described as a "melting pot." One geographer, commenting on the variety of people that settled this area, portrays Henderson as a county that from the first escaped both "the curse and beneficence of mountain isolation" with the result that today it "presents the slightly incongruous picture of a poised, self-assured, and cosmopolitan community still streaked with the rich fat of Appalachian folkways." It is a county that has frequently been described as "typically mountain," but in many ways it is typical of our entire state. Here was born the great travel industry that means so much to North Carolina. Here also you find an economy that is ideally balanced between industry and agriculture. Here you find a citizenry that represents all levels of social and economic position, a citizenry that revels in new ideas and is quick to take advantage of new opportunities.

About the only area in which Henderson County has failed to display its passion for progress has been in the field of politics. In view of the voting record of the citizens of this area, it would be gratifying to see them inject into their politics some of the balance they have been so successful in promoting in other fields. The problem here is that too many well-meaning people still harbor the erroneous idea that there is no room for a conservative thinker in the Democratic party. They hold to the view that our party is irrevocably aligned with liberal thought and action. They will not concede that a political party's basic philosophy can be less than extreme—an understandable misconception in view of their long-standing allegiance to the Republican party that day by day demonstrates its inability to face the fact that we no longer live in the eighteenth century. But with Maine now in *our* ranks the old slogan "As Maine goes, so goes the nation" has new meaning.

It is appropriate that we meet here because it brings us in closer contact with one of the major challenges that we, as Democrats, must face. We must double our efforts to reach those individuals who oppose us, not because they favor our opponents, but because they simply do not understand the Democratic party and the principles for which it stands. We must reach these people with the knowledge that ours is the political philosophy that holds the greatest hope for the greatest number of people. We must go to them with the same convictions that inspired Jefferson to found the party and Jackson to champion its cause. And finally, we must convince them that the Democratic party is not immobile, that there is room in its ranks for both the liberal and the conservative, that the party and everything it stands for is predicated on the belief that it is the right of every citizen to think and act as an individual.

Much of the responsibility for carrying forward tihs program of political enlightenment rests, and will continue to rest, with the young men and women of our party. Perhaps *responsibility* is not the word. I should say it is your privilege and your duty.

You are best fitted for the job. You have the enthusiasm, the energy, the ability, and the determination to accomplish this goal. Those of us who compose the senior membership of the Democratic party are too often handicapped in this role by our long-standing commitment to party concepts. The people we seek to convince too easily conclude that we have gone the same path in the same way for so long that we have lost our objectivity; that we are more concerned with the present than the ftuure. Nothing could be further from the truth, but it is not difficult to understand such reasoning on the part of people who were in the past "taken in" by the Republican party through glamour or because of their own local problems.

It is for this reason, if no other, that you young Democrats are ideally suited to take the lead in this program of political evangelism. Your convictions will carry authority because you are young and because, with your future ahead of you, you have chosen the Democratic party. What more convincing argument can be offered than that of young men and women trusting their hopes and aspirations to a particular philosophy of government? And don't ever forget that the women can and will help in the Democratic party, and they should be called in to the councils of the Young Democratic Clubs and the senior Democratic party.

It is more important today than ever before in our history that every effort be made to strengthen our party and its great traditions. We, here in the Southeast stand on the threshold of a prosperous era—an era that can bring heretofore unimagined opportunities to our people. We are one of the garden spots of the world—rich in the human and natural resources that, properly developed, produce a higher standard of living and a greater degree of happiness for each man, woman, and child. We have come to this stage of development under Democratic leadership. We have cast our lot with the Democratic party. We have remained loyal while other areas compromised their ideas in the quest for political advantages. Make no mistake, the Democratic party and the people of the South share a common destiny.

A prosperous future cannot be denied us, but its arrival can be seriously retarded by political complacency or bickering. The mere fact of our traditional loyalty can work to our disadvantage unless we maintain strength within the party. The southern

Democrat has a twofold responsibility. He must work constantly to strengthen his party both locally and nationally, and he must strive with equal vigor to build his own strength within the party. The aims of the Democratic party and the aims of the southern people have remained compatible for many decades. The relationship has been, and remains, a mutually beneficial one. There are those now within the party who would change all this, who openly express the view that the Democratic party can hold its own without the South, if necessary.

I do not question the right of these irresponsible individuals to express their views, but I very definitely question the validity or the wisdom of their reasoning.

We have a responsibility to guard against any attempts anywhere to encroach upon the basic philosophies that have served our party and our people so well for so many years. In accepting this responsibility we strengthen ourselves and our party and enhance our value to one another. I am confident the members of our Young Democratic Clubs will carry their share of this responsibility. You have always done so in the past, and I am sure your contribution will be even more significant in the months and years that lie ahead. Go forward in your activities with the assurance that your efforts are helping to build a better Democratic party and a better way of life.

Thank you.

ADDRESS AT A HIGHER EDUCATION RALLY OF THE NORTH CAROLINA CONFERENCE OF THE METHODIST CHURCH

RALEIGH

October 13, 1958

[This rally, held in the Raleigh Memorial Auditorium and attended by some 4,000 delegates of the 187,000-member North Carolina Conference of the Methodist Church, was designed to explain the higher education program of the conference and to launch a $5,000,000 campaign to help finance new Methodist colleges at Rocky Mount and Fayetteville. Governor Hodges, himself a Methodist, saluted the denomination for its courage and determination in meeting the challenge posed by the "tidal wave" of students seeking opportunities for Christian higher education.]

I appreciate this opportunity to share briefly in your program and to discuss with you some of the educational problems and challenges we face as Christians and as North Carolinians. I would like very much to spend more time with you, but my inability to contribute more to your program, however, does not limit my interest in what you are doing. Certainly, it would be impossible to minimize the importance of your deliberations, and I congratulate you on what you are doing.

There is no question in my mind but that the decisions made and inspirations furnished by this conference will have a significant effect on thousands of our people—and on North Carolina itself—in the decades that lie ahead. You have recognized a great need, and you have risen as individuals and collectively with tremendous courage and determination to meet the challenge. You are here today to reaffirm and implement the decisions you have made. It will not be an easy task, but, then, few things of great value have ever been achieved without dedication and sacrifice. I am proud, as a Methodist, of your work in building further Methodist-related colleges, and proud, as governor, of what you are doing in giving the state Christian educational institutions.

More than two centuries ago, the English essayist, Joseph Addison, wrote, "What sculpture is to a block of marble, education is to the human soul. The philosopher, the saint, the hero, the wise, and the good, or the great, very often lie hidden and concealed in a plebeian, which a proper education might have disinterred and brought to light." What better answer to this challenge can be found than the Christian college, where the great quest for knowledge that is inherent in our young people can be developed in an atmosphere that promotes an understanding of spiritual values? We are concerned, of course, about the growing need for physical facilities in which to educate our rising generations, but we must never lose sight of the fact that true education concerns itself with man's spirit as well as his mind.

Your past activities, and your presence here today, provide conclusive evidence of the fact that the Methodist Church in North Carolina not only recognizes the need for more Christian college training, but intends to meet it with all of its great energy and resources. In so doing, you will be fulfilling your traditional responsibility as Methodists and adding another proud and memorable chapter to the history of a state that acknowledges the right of every citizen to an education.

Make no mistake about the fact that the Methodist Church, aided by thousands of other North Carolinians, representing all religious denominations, is making history in this state today. Future historians will, without question, record your present effort as one of the great milestones in North Carolina's steady march forward in the field of education. And future generations who read those histories will marvel at your courage and vision. They will know that had it not been for your unselfish determination and your dedication to the highest ideals of your faith, the opportunities they enjoy might never have been available. In the years ahead, hundreds, then thousands, then hundreds of thousands of our young people will come to know the thrill, the excitement, the personal satisfaction and maturity that a college education can bring. And, because you will have made it possible, these future generations will stand as a living monument to your effort. They will stand also as irrefutable testimony to the strength and wisdom of the spiritual motivation behind your effort.

As I see it—and I am sure you will agree—there are four major reasons why it is absolutely necessary that we go forward as rapidly as possible in this educational program. First, it is our duty to provide educational facilities for our children that will instill in them both knowledge and spiritual understanding.

Secondly, unless we move quickly to provide for our growing school population we will simply not have the physical facilities to accommodate them in the years just ahead. Thirdly, there is a tremendous need for additional colleges in the eastern part of our state to provide North Carolina with a geographically balanced educational structure and to make higher education more readily available in a region where comparatively low farm incomes have constituted an educational barrier in the past. Finally, there is the matter of national security—a consideration that cannot be overlooked for a moment if we are to preserve our national freedom.

These, then are the basic ingredients of the challenge facing you and those who work with you in this program. Of the four, I feel the latter has an importance that is often overlooked. It is important because it embraces all the other reasons. Without our national freedom, what hope would there be for spiritual freedom? What need would there be for additional classrooms? What reason would there be for geographical balance?

In an address earlier this year before the Southern Regional Conference of Governing Boards of Higher Education, James A. Perkins, vice president of the Carnegie Corporation, gave considerable thought to the relationship between national security and higher education. He told the delegates to that conference that

> One hundred years from now historians will doubtless observe that national security was the primary concern of our country during the last half of the twentieth century. . . .
>
> Education of our people is indeed the central hope for dealing with the terrifying and weighty problems that are already on our doorstep, and higher education must identify the tasks and set the standards for our performance. Participation in this enterprise is, therefore, no light or spare-time assignment. . . . Your institutions must protect our cultural and political heritage, produce a large share of the intellectual tools necessary to cope with our new world, and will certainly identify, select and train the human talent required in increasing numbers to man our professions, our business institutions and our government.
>
> National security is, and for the foreseeable future will remain the central concern of our society, and higher education will play a central role in the development of national programs to assure this security.

It is not a pleasant thing to come here and stand before an auditorium filled with dedicated church men and women and discuss the horrors of war and the possibility of mankind's annihilation. But these are the facts of life in the world in which we live. It would be nice to imagine that the threat does not exist. But it would be unrealistic and very dangerous imagining. It would be nice to imagine that the intrigues of global politics do not extend to us here in North Carolina. But we know this isn't so. We know that we are on the front line in the battle that is being waged for men's minds throughout the world. Education has become a weapon of war in a struggle between two great societies. And it is a war we cannot ignore. We and our friends throughout the free world have little choice but to remain mortal enemies of Communism for the simple reason that our health, our prosperity, and even our very existence stand as living denials of philosophies of Marx, Lenin, and the latter day Communist leaders.

Stated in even more down-to-earth terms, we live today in a world that is divided by two apparently irreconcilable philosophies, each possessing the means of destroying the other and much of the world with them. This is a grim prospect, but one that we must face if we are to survive. Once we have agreed on the necessity of facing the challenge with courage and faith in our convictions, we can begin fashioning the tools that will be needed for victory. Our first step should be the adoption of a philosophy that might be described as calculated optimism. By this I mean that we must never for a moment allow ourselves to become convinced that Communism holds a greater basic appeal for the world's masses than does the promise of individual freedom. Only when we are confident of our ability to project the benefits of our way of life, can we take the offensive.

In the years ahead we will need four weapons with which to preserve our own liberties and eventually eliminate the threat to those liberties that now exists. Stated briefly, they are (1) military strength adequate to deter open agression, (2) a foreign policy calculated to provide free world leadership, (3) a political and social philosophy that can speak to and for the aspirations of mankind everywhere, and (4) the most important of all, a spiritual climate that will enable us as individuals and as a nation to lead good lives and to influence people everywhere by the lives we lead.

Enrollments in North Carolina's institutions of higher learning increased by approximately 2,000 this year. Next year the figure will rise by an even greater number and is expected to hit better than 60,000 by 1960. By 1965 the total enrollment will have reached an estimated 78,000, and by 1970 more than 96,000 young people will be ready to enter our colleges and universities. Let me add that these are minimum figures, based on secondary school enrollments and on the assumption that the percentage of high school graduates entering college will not change. Obviously, the burden of providing for these young citizens of our state cannot be delayed. The need is urgent, and you are certainly to be commended for determination to act now before the young people of North Carolina are forced to suffer for lack of educational opportunity.

I do not mean to imply that the burden is yours alone. The state of North Carolina will continue to exercise every possible effort to meet the educational needs of its citizens. The state, however, cannot come anywhere near carrying the whole load. Without its church-supported institutions, the educational program in North Carolina would never have been able to achieve the recognition that it has in recent years. Further, as I have said publicly on several occasions, our church-related private colleges many times do a better job for the same amount of money than do our tax supported public colleges.

I hope our new Methodist colleges will be careful with their finances, will have activities and curricula that are modern and practical, and at the same time never forget the spiritual teachings that give the colleges a lasting character.

I would like to call on the people of this state to lend their wholehearted support to our church-sponsored colleges. The people of Rocky Mount and Fayetteville have a tremendous stake in development of new colleges in their areas, and the support they contribute will represent a valuable investment in their own futures. There can be no question about the value of a college to a community or to an area in which such facilities have not previously existed. And we should give a great "salute" to the cities and citizens of Rocky Mount and Fayetteville for their support. I urge others to give of their means and their moral backing.

The effect of your program on North Carolina, and especially on the eastern part of the state, will not be easy to evaluate. We do know, however, that it will provide innumerable material benefits and make many intangible contributions to the health, happiness, and general well-being of all those it touches. When you also consider that this great eastern area stands today on the threshold of an era that will bring unprecedented opportunity in many other fields, then the true significance of your program becomes even more apparent. Recent economic and cultural developments in eastern North Carolina have brought this region and its people to a point where the decisions of the next decade will vitally affect the destiny of all future generations. I am firmly convinced that opportunities for heretofore unimagined progress and develoment are greater today in eastern North Carolina than at any time in history.

Courageous leadership of the type you are displaying will be needed if full advantage is to be taken of available opportunities. You have accepted the challenge to provide part of this leadership and I am confident that you will make a great contribution. As I have pointed out, the dreams we hold for the future of North Carolina and its people cannot be realized by merely waving a magic wand. The road ahead will be difficult, but the end result will justify whatever sacrifice we are required to make. Thomas Jefferson once wrote "It is expedient for promoting the public happiness that those persons whom nature hath endowed with genius and virtue should be rendered by liberal education worthy to receive, and able to guard the sacred deposit of the rights and liberties of their fellow citizens, and that they should be called to that charge without regard to wealth, birth or other accidental condition or circumstances."

This is a clear statement of a sacred responsibility that has come down to us from generation to generation. And no generation has had a clearer call to fulfill this responsibility than the present one which faces so many problems. Let us go forward, then, armed with the knowledge that we are being faithful to our heritage, that we are fulfilling the trust that is ours as Christians, as North Carolinians, and as Americans.

Thank you!

KEYNOTE ADDRESS AT THE GOVERNOR'S CONFERENCE ON SMALL WOODLAND MANAGEMENT

RALEIGH

November 6, 1958

[Called by the Governor and attended by about 300 persons representative of North Carolina's 267,000 farm and private forest owners, this conference, meeting in the auditorium of the Textile School at North Carolina State College, was the first of its kind ever held in the state. Is purpose was to give the non-professional forest owners an opportunity to present their timber-growing problems and to exchange ideas as to solutions of these problems. At the conclusion of his keynote address the Governor was presented with an honorary life membership in the North Carolina Forestry Association.]

I want to thank each of you, as warmly as I know how for coming here today at my invitation. We want your sober thinking, mature judgment, and I hope, later action on a subject of first importance to the sound growth and development of our state. That subject is *the productivity of your woodland.* It can mean more to each of you and to our good state than most anything that we have attempted.

This is a unique and historic occasion. For nearly 300 years, our forests have helped shape the history, folklore, and the agricultural and industrial economy of our state. To my knowledge, however, this is the first time a North Carolina governor has asked the individual forest landowners of the state to come in and tell him what they feel is needed to make their own lands contribute more to them and to their fellow Tar Heels.

This conference is unique in another respect. You are *not* going to sit down and listen to professional experts (in this case, the publicly and privately employed foresters of our state) tell you what your problems are and what you should do to solve them. This time, they are here to listen to you. They are *not* to express their opinions unless you specifically ask them a question.

They themselves suggested this arrangement because they frankly admit that when it comes to getting *you to practice* what *they preach,* they don't have all the answers.

For this frankness and for the *tremendous effort they will be making to keep quiet today,* I feel they deserve a hearty pat on the back from all of us!

They are to a certain extent responsible for this conference. Some of them (in particular those employed in the U. S. Forest Service) have put you squarely in the spotlight recently in the nation's forestry picture.

This came about through a timber resource survey popularly known as the "Timber Resources Review". This survey was conducted state by state in 1952 and 1953. Foresters employed by state agencies and by industry assisted in collecting the information.

I cannot begin to cover all of the major findings. However, here are some of the predictions and statements which concern you:

1. Timber demand is expected to be approximately one-third greater in 1975 and 75 per cent greater by the year 2000 (and to a tree this isn't far away!).
2. The nation has no surplus of forest land.
3. Although timber growth now exceeds the timber cut plus the timber lost through fire, insects and diseases each year, we will need substantially to increase growth to meet the *expanding demand* for wood.
4. Forest productivity is best on publicly owned land and land owned by forest industries.
5. Forest productivity is poorest on small farm and "other" private ownerships, particularly in the South (this is where you and I "come in").
6. *The key to adequate timber supplies in the future lies with the 4,500,000 farm and "other" private ownerships.*

Certainly, these facts constitute a tremendous challenge to the small woodlands owner—and, for that matter, to all of us who clearly recognize the wonderful opportuinties that are available in this field. I have always maintained that our forests comprise one of the greatest resources that North Carolina has to offer, and I am convinced that the action we take within the next few years with regard to this resource will have far-reaching effects on the state's economic development in the decades ahead.

I would like to stress the point that we in North Carolina are by no means alone in our realization of the need for forestry development. We have accomplished a great deal in recent years. We have displayed a willingness to do whatever is necessary to make sure that the people of this state get the maximum benefit from their forests. But other states are just as aware of this potential as we are, and they are exerting every effort to assume and maintain leadership in this field.

Georgia, for instance, has all but handed its forestry interests a blank check to facilitate forestry research. In that state, forestry has replaced cotton as the leading agricultural product and now constitutes 20 per cent of the total economy. In the area of research alone, the Georgia legislature this year, appropriated $200,000—roughly six times the amount appropriated for this purpose in North Carolina. Another indication of Georgia's determination to excel in this field is the fact that $500,000 has just recently been made available for construction of a forest fire research laboratory in Macon. This facility will house the Georgia Forestry Research Council, an agency responsible for coordinating the research activities of all state, federal, university, and industrial foresters in the state.

I make these comparisons, not in criticism of our own efforts—for we still hold a position of leadership in the fields of forestry education and research—but to illustrate the need for even greater effort on the part of forestry interests in this state. Georgia is making great strides in the development of this industry for one reason, and one reason alone. The people of the state have become forestry conscious. They are looking far into the future and they know what their woodlands will mean to them, individually and collectively, in the years ahead. And they are doing something about it right now.

I do not mean to create the impression that we are sitting still. Such is not the case. Three years ago, for instance, the Forestry Division of the Department of Conservation and Development was challenged to produce 10,000,000 white pine seedlings annually to meet reforestation needs. In answer to that challenge the division will have, not 10,000,000 but 14,000,000 seedlings available for the planting season this year. Another example can be seen at the Holmes State Forest Nursery, located near Hendersonville, where southern Balsam and Spruce are being raised successfully to provide planting stock for Christmas tree production. A half-million trees will be available this year and production will increase annually to make it possible for North Carolinians to compete with out-of-state producers in the Christmas tree market.

To cite one other example that I think illustrates the potential this industry holds, let me point to the Riegel Paper Corporation's activities. In 1951 this company invested $16,500,000 in a plant at Acme and began operations with a productive capacity of about 200 tons per day. It employed 315 people. Since that time, the company has invested an additional $29,000,000, increased its work force to 1,000, its payroll to $6,000,000 annually, and its production to 600 tons per day. Of particular interest is the fact that this plant now uses around 1,000 cords of wood daily, most of which is purchased in North Carolina at an annual cost of roughly $5,500,000. Other companies are making similar contributions to our economy.

The question for you to ask yourselves here today is, "Am I doing all I can do to make sure that I share in the opportunities that are unfolding in the forestry industry in North Carolina? And if not, why not?"

You are here today representing North Carolina's 267,000 farm and "other" private forest owners. Putting it more clearly, you represent all the private forest owners in the state, regardless of size of ownership, except for forest industries such as the lumber and pulp and paper companies. In this state, eight out of every ten of you are farmers or own woodland in connection with a farm operation.

You hold title to more than three-fourths of all the forest land in our state on which trees can be grown commercially. Thus you as a group control the state's development or lack of it in raw timber production.

What kind of a job are you and others like you doing in your woods? The answer may be quite a surprise to you. In comparison with other states today you are doing pretty well.

Let's take a brief look at where we stand in this respect.

Keep in mind, that we are a leading state in terms of land in relatively small, private individual holdings. For example, we have more farm forest owners than any state except Pennsylvania. We have more woodland acreage on farms than any state except Georgia.

In spite of this and perhaps, in our case, because of it, we have less land which needs forest tree planting than any other southern state. We are above southern and national average in terms of the percentage of our forest area which is medium to well stocked with desirable trees which will become desirable through growth.

With only 4 per cent of the commercial forest growing acreage we are producing 5 per cent of the national timber harvest and 6 per cent of the yearly timber growth increase.

We have in recent years been growing more pine and hardwood pulpwood and sawtimber than we are cutting or otherwise losing each year. This is in sharp contrast to the situation twenty years ago when we were cutting one and one-half times as much timber as we were growing.

You have been setting some records too. In tree planting, you have set a new record each year since 1949. That year you planted about 7,000 acres in trees. In 1957 you planted nearly 46,000 acres—*more than a six fold increase in eight years.* According to the Forestry Division of the Department of Conservation and Development, North Carolina produced 24,000,000 seedlings during the 1954-55 season. Some indication of the progress being made can be seen in the fact that this figure is expected to exceed 95,000,000 for the 1958-59 season.

You have also made progress in increasing your earnings from growing and selling timber. Over an eight year period, 1949-57, forest products sales by farmers have more than doubled. In 1957, sales totaled a record $48,000,000.

This makes timber our fifth biggest farm commodity.

I want to congratulate you on this progress. It is definite evidence that you and other private owners are becoming aware of your opportunities to make your woodland pay off. Part of this awareness is due to the increased demand for timber products and the effect which this (plus inflation) has had on timber prices. Part of it is due to the hard work of devoted professional public and private foresters and agricultural workers employed to encourage, advise, and assist you in timber growing.

This work is now beginning to pay dividends.

Let us at the same time admit to ourselves that we are just getting off to a good start in private owner forestry acceptance. The picture is not all rosy. For example, 1957 was a record year in farm forest income. Yet when you divide that income by the total farm woodland acreage you get an average earning for that year of $3.65 an acre. Mighty small, isn't it? But what an easy challenge to meet an "increased goal".

How long can our private individual forest owners afford to let their land rock along at this earning level when well managed forest tracts are earning $10 to as high as $30 an acre per year depending on location, land quality, and the kind of trees being grown?

Quite frankly we have an opportunity here at least to double productivity and income and make timber growing a $100,000,000 farm enterprise. How can we bring this about? What can the state do through its C & D Division of Forestry and the State College Extension and Research Forestry programs? How can agricultural workers help? Forest industries? What do you think is keeping you and owners like you from adopting the growing marketing and woodland protection practices which will result in this kind of productivity?

Please think hard about this business of increasing private timber growing income and give us your suggestions in the group discussions to follow.

This was one of my main objectives in calling this conference, but there are two others which I want to suggest for your attention.

The first of these concerns the relationship between you as an owner and grower and the forest industries of our state.

We have a large and growing wood using industry. In terms of persons employed it ranks second only to textiles. In number of plants it comprises 47 per cent of our industrial establishments. These plants are located in every county in the state.

The combined output of our 3,600 or more wood using plants makes our state a leader in wood products manufacturing. We rank first in the production of wood furniture, hardwood veneer, and hardwood plywood. We are consistently fourth or fifth in lumber production. We have five pulp or pulp and paper mills within our borders—the Champion Paper and Fibre Company at Canton, Halifax Paper Company at Roanoke Rapids, North Carolina Pulp Company at Plymouth, Riegel Paper Company at Acme, and the Mead Company at Sylva. We have four additional mills in adjoining states which buy pulpwood and own land here.

There is considerable thought being given within the industry itself as to how much expansion will take place and what direction it will take in terms of raw timber needs. We do not have the answer. All we can do is look at the past eight years. During that period pulpwood production has more than tripled in our state. Lumber production has remained almost constant since 1946 in the face of increasing competition from West Coast mills and the use of competing building materials such as masonry blocks, asbestos shingles, and light metals. We have seen new wood using industries established such as particle board plants and charcoal manufacturing plants. A week from tomorrow I will help dedicate the new Formica Plant in Farmville. This will mean much to our tree farmers.

The industry has had its ups and downs, but we feel that if the wood using industry is to expand anywhere it will expand here. We have much to offer them in raw material, the best labor in the world, and a friendly people—both personal and governmental.

Many of these plants are largely dependent on the private individual forest landowners to grow the raw timber products needed for their production. Most of their 91,000 employees are depending on you to grow the raw material their plant must have if they are to continue to have a job. The businesses and communities supported by the industry's quarter billion dollar yearly payroll are dependent on you to help keep this source of support operating.

Your future as a timber grower and the future value of your timber crop depends on the ability of this industry to modernize, expand, compete with industries in other states and regions, and make a profit. This industry is your market for the sawlogs, pulpwood, poles, piling, veneer and furniture logs you grow on your land. If this industry should go under, your forest acres would have no value, except for recreation, erosion control, and watershed protection in some cases.

You have had problems in dealing with this industry and the industry has had problems in buying timber and raw products from you. There are fly-by-night timber owners just as there are fiy-by-night timber operators. There have been cases where each of you has tried to get rich quick at the expense of the other. This has occasioned some strong feelings on both sides.

Yet basically you have a common interest. The reputable plant operator who plans to stay in the business wants a steady and dependable source of raw timber that will meet his specifications at a price which will allow him a reasonable profit.

You in turn want a steady market for your trees as they need to be harvested. You want to sell at a price which will give you a reasonable profit for the time, effort, and money you put in over the years in growing trees, protecting them from fire, and paying your land taxes.

Timber buyers for these plants in many cases are having to contact as many as fifteen different landowners for every timber buy they make. This costs money and they are often dealing with a stranger when they do buy.

The mills which operate year round and buy timber or delivered products from you have a boom and bust supply situation. The boom is in the late fall and winter. The bust is in the late spring and summer when many of you are busy in the fields. When you have the crops harvested and start thinking about selling some timber or cutting some pulpwood, you find the market glutted, prices off in some cases, and the buyer indifferent.

Some plants are interested in helping you increase the productivity of your land and stay in the timber growing business. They want to buy again from you in a short time. Yet in spite of the time and money they spend on marking your timber, taking care to protect growing trees in logging, encouraging you to plant trees, etc., on the next go round they find that in many instances you've sold out to an irresponsible buyer or one with no interest in establishing a permanent pulpshed or logshed relationship with you and you did so because he offered you a little better price. This is always a temporary thing, and you must think "long-range" if you are to prosper permanently.

The point I want to make is this. If you are going to be a successful timber grower, you are going to have to seek out and tie up with one or several reputable buyers. You are going to have to get to know them and appreciate their problems, and they are going to have to do the same with you if each is to have a satisfactory relationship. And you must treat each other fairly.

I feel that this is one of the main keys to progress. This is one reason why I have invited some buyers to attend this conference. I hope that each of you will have some constructive suggestions to make to the others as you participate in it. Be frank. Be fair.

Now for our third conference objective. We have no shortage of woodland *owners* in North Carolina. We do have a shortage of timber *growers.*

Foresters in both public and privately sponsored programs have been quite successful on occasions in promoting individual practices such as planting, timber stand improvement, etc.

Sometimes this serves as the first step which leads the owner into a good all round timber growing program. Often it is simply a one-shot affair.

How can we and you sell timber owners on handling their forest property for continued crop production? There is no magic formula which will give you all the answers and lead to a fortune in this case. The rewards come as a result of the owners getting into and staying in a timber growing program, working together where practical or using private forest management services where more practical.

How can we get more woodland owners to make up their minds they will use trees as a "crop" and not just as wood?

In summary we are here to get your ideas and suggestions on the following:

1. How can we double our present private owner forest income in a reasonable time?

2. What can be done to improve timber operator—timber grower relationships and understanding?

3. What will it take to turn more woodland owners into permanent and efficient timber growers?

As you discuss these problems, feel free to come up with any constructive suggestions you have in mind. If you get additional ideas towards the end of the conference or after you get home, write them down and mail them to me. I am keenly interested in this phase of our state's economic problem.

I will see that they get to the people who can do something about them. If you will mail them to reach me by November 21, I'll see that they are made a part of the record of this conference.

Let me conclude with a reference to a speech made at a recent meeting of the Southern Research Institute by Frank J. Soday, vice-president of the Chemstrand Corporation. After discussing the economic value of petroleum and petrochemicals, which he described as the backbone of the southern chemical industry, this noted authority said, "When the last oil well runs dry, we can turn to the pine tree, the South's most important renewable resource, for the basic raw materials required for the production of petrochemicals." "When an average tree is converted to lumber by present processes," he continued, "only 65 per cent of the tree is obtained as useful products. The sawdust, bark and waste lumber resulting from these operations can readily be converted by known processes into a hydrocarbon liquid which can be used in place of gasoline in internal combustion engines, or can be converted into many industrial and consumer products now obtained from oil and gas."

After discussing the progress that has been made toward converting sea water into metals and chemicals, Dr. Soday concluded that, "So long as the pine tree and sea water are available, the South and its industry can look to the future with confidence." The speaker is absolutely right in his facts and in his optimism about the future. All of you here have a great stake in that future. All you have to do is reach out and take it.

Thank you for coming and sharing with us your thinking, experience, and sound judgment on this opportunity to develop further this tremendous forest enterprise that is ours in North Carolina.

Thank you!

SUMMARIES OF PUBLIC ADDRESSES

SUMMARIES OF PUBLIC ADDRESSES

REMARKS AT MEETING OF THE BOARD OF CONSERVATION AND DEVELOPMENT AND THE NORTH CAROLINA STATE COLLEGE SCHOOL OF AGRICULTURE

Raleigh

January 7, 1957

At a dinner with the Board of Conservation and Development, which was holding its quarterly meeting in Raleigh, and the State College School of Agriculture, Governor Hodges spoke of the pressing need for improved agricultural marketing practices in North Carolina and of the interdependence of agriculture and small industry, particularly in the processing field. Specifically he pointed out that there exists no agency that is available to co-operate with a farmer group in working out an organization to help grade, package, and sell the farmers' merchandise. He suggested that the creation of an advisory committee to serve the state in this area, along with the expansion of the activities of the Commerce and Industries Division of the Board of Conservation and Development to include a marketing phase, might be a solution, and he asked the heads of Conservation and Development, the School of Agriculture, and the Department of Agriculture, to meet together and discuss ways by which such an idea might be implemented.

ADDRESS AT THE FIRST GOVERNOR'S STATE-WIDE FIRE PREVENTION CONFERENCE

Raleigh

January 9, 1957

In line with earlier activities in this respect, notably his co-operation with forestry leaders by sponsoring a state-wide Forest Fire Prevention Conference in 1956, Governor Hodges on this occasion endorsed the efforts of the International Association of Fire Chiefs, and its North Carolina branch, to promote community participation in fire prevention. The meeting was attended by mayors, city managers, fire chiefs, firemen, and building inspectors from all parts of the state. In his welcoming address to the group, the Governor deplored the tragic consequences of fires caused by carelessness and emphasized the need for greater fire prevention through informed public opinion and by periodic inspection in the interest of eliminating potential hazards. He also reviewed the development of fire fighting in North Carolina and pointed out that while there were 478 fire departments in the state in 1957, only nine of these were fully paid, all others depending to some degree on the services of volunteers.

REMARKS AT A LUNCHEON TO ANNOUNCE CONSTRUCTION OF A NEW PLANT OF THE FORMICA DIVISION, AMERICAN CYANAMID COMPANY

FARMVILLE
January 9, 1957

Farmville, a Pitt County community with a population of 3,000 had been selected by the Formica Division of the American Cyanamid Company as the site of a multi-million dollar plant for the manufacture of flakeboard. High officials of the company, Governor Hodges, and business leaders of the area, met at a luncheon to celebrate the announcement of this new industry that would utilize native forest products as well as provide employment for many North Carolinians. The Governor spoke of the favorable climate for industry in North Carolina and of the growing realization of the needs and opportunities for industrial development in the state. He also emphasized his belief in the necessity for reducing the corporate income taxes along the lines recently recommended in the report of the Tax Study Commission.

REMARKS BEFORE A MEETING AT PILOT FREIGHT CARRIERS, INCORPORATED

WINSTON-SALEM
January 12, 1957

Governor Hodges accepted many speaking engagements at this period in order to explain his legislative program to influential groups throughout the state. One of the topics which he most frequently emphasized on such occasions was his firm conviction that the recommendations of the Tax Study Commission must be adopted if North Carolina wished to attract new industries. At the dedication of the new home office of one of North Carolina's largest motor carrier organizations the Governor called on the state's trucking industry "to take the long-time view and support the whole tax study report." "I know of no group, he said, "which stands to gain more from the industrial and commercial expansion of our state than the motor carriers." He also gave his unqualified endorsement to reorganization of the State Highway Commission and to separation of the prison system from the Highway Department.

ADDRESS AT A LUNCHEON MEETING OF THE NORTH CAROLINA INDEPENDENT AUTOMOBILE DEALERS ASSOCIATION

RALEIGH

January 17, 1957

On this occasion Governor Hodges sought the support of the automobile dealers for three changes in the motor vehicles laws of North Carolina: a mechanical inspection act; scientific tests for intoxication; and the use of unmarked Highway Patrol cars. These measures had been proposed by Commissioner Edward Scheidt of the Motor Vehicles Department and were considered by the Governor as being "highly important if we are to have a successful program of highway safety." He also discussed the program of the Tax Study Commission and singled out items of particular interest to automobile dealers. Approval of a "permissive tax" that would allow cities to charge as much as $10 for local licenses he recommended as a "logical field in which the city ought to be allowed to raise revenue and one which the local citizens can control as they see fit." Unless cities and counties are given some leeway in available tax fields, he warned, "you may expect at some time more drastic action on the part of distressed local governments."

REMARKS AT A MEETING OF THE NORTH CAROLINA CITIZENS COMMITTEE FOR BETTER SCHOOLS

RALEIGH
January 23, 1957

As a rule the Governor found time to remain at a meeting only long enough to deliver his scheduled address, but at this first session of his newly-appointed Citizens Committee for Better Schools he indicated his interest in their program by staying from three o'clock in the afternoon until adjournment of the meeting at nine in the evening. In his remarks to the group he stressed three main points: (1) that the committee "has nothing to do, nor will it have anything to do, with the problem of segregation"; (2) that the committee was to report to the public, not to the General Assembly, and that it should not become involved in the oncoming budget discussions during the 1957 legislature; and (3) that it was designed especially to represent the "grass roots," non-professional sentiment in regard to the problem of public education.

OPENING REMARKS AT THE FIRST GOVERNOR'S CONFERENCE ON OCCUPATIONAL HEALTH

RALEIGH
January 24, 1957

About 200 representatives of industry, labor, government, insurance companies, trade associations, and the medical profession heard Governor Hodges speak on the relationship between occupational health and the state's industrial development. He pointed out that adequate health services can reduce personnel turnover and absenteeism, increase worker efficiency and productivity, and lower accident frequency. These contributions, he said, "can be an important factor in enhancing the competitive position, and hence the growth and prosperity of North Carolina's industries." At the conclusion of the conference, the group recommended unanimously that the Governor appoint a permanent committee to survey and study the state's occupational health needs and make recommendations on needed legislation and improved industrial practices.

REMARKS BEFORE THE THIRTY-SECOND ANNUAL PRESS INSTITUTE

CHAPEL HILL

January 24, 1957

Before presenting the annual press awards for outstanding journalistic accomplishments, the Governor spoke informally to the state's newspapermen and women who had gathered in Chapel Hill for their annual institute. The highlight of his brief remarks was his expression of appreciation for "the excellent job" which in his opinion the press had "done in explaining in detail some of the important legislative programs . . . which will confront the 1957 General Assembly." "I have great faith," he said, "in the ability of the people to accept any worthwhile proposal so long as they understand it."

ADDRESS AT LADIES' NIGHT PROGRAM OF THE WILMINGTON LIONS CLUB

WILMINGTON

January 26, 1957

Governor Hodges, an honorary member of the Wilmington Lions Club, paid high tribute to the work of civic clubs in general, and Lions International in particular, on this occasion. In his address he referred to many features of his legislative program, and emphasized the reports of the Commission on Reorganization of State Government, explaining that an orderly, long range program dealing in small units was preferable to a complete renovation because "the job of government reorganization is simply too large to handle at one time." For special attention he singled out the need for an integrated department of administration of the executive branch of the state's government.

WELCOMING ADDRESS BEFORE A STATE-WIDE INDUSTRIAL DEVELOPMENT CONFERENCE

RALEIGH
February 20, 1957

Five hundred business leaders and Chamber of Commerce officials from all sections of the state attended this conference which was designed to serve as a rally for support of the tax revisions recommended by the Tax Study Commission and currently being considered by the General Assembly. Brandon P. Hodges and Robert M. Hanes later explained the details of the program to the group, and Governor Hodges devoted his welcoming remarks to a re-statement of his belief in the importance of industrial development as a means of promoting the economic well-being of North Carolina. He expressed his pleasure at the wide representation from local communities attending the meeting and reminded his audience that "basically we have a 'grass roots' approach to industrial development. Regardless of how efficient your state development program is, little progress can be made without the initiative, energy, and enthusiasm of local leadership working together for the common good."

SPEECH BEFORE THE ANNUAL BANQUET OF THE NORTH CAROLINA SOCIETY

WASHINGTON, D. C.
February 23, 1957

Governor Hodges reported to Tar Heels in the nation's capital on conditions in their home state, and told of the steps being taken in North Carolina to improve the state's economic status. The prevailing low per capita income was the focal point of his remarks. Of particular interest to the Washingtonians was the Governor's interest in a "close working relationship between state government and our Congressional delegation." He recalled that in December, 1956, a meeting had been arranged between many state agency heads and the entire delegation for the purpose of acquainting the Representatives with federal-state relationships, and he pledged himself to work for even closer cooperation. The immense problem of stabilizing and saving the Outer Banks he cited as one of the areas where the "cooperation, knowledge, and support of our Congressional leaders" is a vital necessity.

REMARKS AT CHAMBER OF COMMERCE DINNER

DURHAM

March 1, 1957

A dinner honoring the B. C. Remedy Company, one of Durham's best known industries, gave Governor Hodges another opportunity to campaign vigorously for support of his legislative program. He defended the recommendations of the Tax Study Commission against the charge that corporations would receive substantial relief at the expense of the small farmer and the working man by explaining that the direct result of expanded industrial activity in the state would be more jobs and higher wages. He reminded the group that organizations already thriving in North Carolina must not be overlooked in "our zeal to get other industries . . . we must take into consideration the expansion of our present industries . . . and see that we do not offer people from the outside things that we cannot give to those already here." In addition, the Governor made a strong appeal for the passage of a minimum wage law and reiterated his belief that increased public school support on the local level is essential.

ADDRESS OF WELCOME AT A CONFERENCE ON THE FEDERAL FLOOD INDEMNITY ACT

RALEIGH

March 15, 1957

Between October, 1954, and September, 1955, a series of four hurricanes had struck the coastal areas of North Carolina, resulting in property losses estimated at $319,000,000. Under Public Law 875 federal funds of $4,000,000 had been allocated to the state to repair damage of a public nature, and insurance companies had paid out almost $28,000,000 on private claims. Governor Hodges had often expressed concern over this hardship on private citizens and had indicated on several occassions the need for some form of increased insurance protection for disaster areas. The Governor took the position that it would be desirable to have insurance through privately owned companies, but "if they could not do the job, then the federal government must do it." Congress had recognized this responsibility by passing the Federal Flood Indemnity Act in July, 1956. In his introductory remarks to this conference, held in Raleigh to explain to officials of southern states what would be required of the states wishing to participate in the Flood Insurance Program, Governor Hodges reviewed the need for a plan "whereby flood insurance can be made available to individual citizens for the protection of privately owned property."

ADDRESS BEFORE ANNUAL CONFERENCE OF NORTH CAROLINA COMMITTEEMEN AND EMPLOYEES OF THE U. S. DEPARTMENT OF AGRICULTURE'S AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

ASHEVILLE
March 18, 1957

The commitments of the legislative session kept the Governor close to Raleigh during this period and caused him to decline almost all out-of-town invitations. He made an exception on this occasion, however, and went to Asheville to speak before the annual meeting of North Carolina personnel of the U. S. Department of Agriculture's Agricultural Stabilization and Conservation Service. His address, directed to several hundred committeemen and employees from throughout the state, was largely a repetition of previous speeches in which he reviewed economic conditions in North Carolina, with emphasis on the plight of the tobacco farmer. He reaffirmed his belief that industrial employment is "one of the best answers to maintaining our family-size farms and offers a reliable source of income to supplement dwindling agricultural income." For this reason, he said, there should be no conflict between the needs and objectives of sound industrial development and those of agriculture and rural areas, and only through the best efforts of agriculture and industry, working together in harmony and understanding, can North Carolina move ahead in the competitive world.

ADDRESS AT THE FIFTH ANNUAL BUSINESS FAIR OF ALPHA TAU CHAPTER OF ALPHA KAPPA PSI BUSINESS FRATERNITY

CHAPEL HILL
March 22, 1957

A subject close to the Governor's heart—"What North Carolina can do for you, Mr. Industry"—was the theme of the annual program sponsored by Alpha Kappa Psi, a professional business fraternity at the University of North Carolina. For the purposes of his brief address, Governor Hodges changed the wording to "What North Carolina can do for you, Mr. College Graduate" and urged his young listeners to give careful consideration to a career in the state because the potential for growth and development is tremendous. "I suggest that you look upon North Carolina as a 'growth' stock which offers, perhaps, small return on your investment at the moment but which you should hold and cherish because there is a greater return for you in the future."

REMARKS BEFORE THE NORTH CAROLINA CITIZENS ASSOCIATION

RALEIGH
March 27, 1957

The eighteenth annual meeting of the North Carolina Citizens Association, whose membership included many of the state's leading business and banking figures, developed into a rally for the administration's tax revision and industry program. In his introductory remarks at a dinner meeting in the Sir Walter Hotel the Governor spoke optimistically of the support and assistance the legislative proposals were receiving from all sections of the state and urged this influential group to "see not only the needs of the business and industrial community, but the needs of the state social community, such as public schools, mental hospitals, health and welfare, highways, etc." Too often, he said, business and industrial groups "get themselves into a 'protective' position and fail to see the state's needs." In the interest of governmental efficiency and economy, he reiterated earlier arguments which he had made for the creation of a department of administration, as recommended by the Committee on Reorganization of State Government. Clarence Manion was the main speaker of the evening.

REMARKS AT GENERAL ELECTRIC 1957 SPRING JAMBOREE

RALEIGH
April 9, 1957

Appliance dealers from all sections of the state, as well as representatives of the electrical industry, utilities, REA, radio, and television gathered in Memorial Auditorium in Raleigh to see new product models and engage in the kick-off of a sales promotion campaign. Governor Hodges was on hand to welcome the group and to put in a plug for his most-favored 1957 model, the revised tax structure being considered by the General Assembly. "I hope," he said, that "all of you in your communities and counties will indicate your interest in this tax program and in all other efforts designed to help your community and your state grow and prosper." He spoke of electric power as a "universal symbol of economic progress and enlightenment" and indicated the ways its use had revolutionized life in rural North Carolina as it eliminated much of the drudgery of farm life. For special commendation he singled out the appliance dealers as representatives of the small businessman, so essential to the state's economy.

ADDRESS AT ORDER OF THE GRAIL ANNUAL BANQUET

CHAPEL HILL
April 12, 1957

Luther Hodges, Jr., was a member of the Order of the Grail, an honorary society established in 1920 at the University of

North Carolina, and Governor Hodges was invited to be guest of honor at the organization's 1957 annual banquet. He selected as the theme of his address Woodrow Wilson's four "requisites" for an educated man: he must know the general history of mankind; he must know the history of human ideas; he must know one science; he must know one language—preferably his own. The Governor commented on each of these concepts, and closed with the admonition to "continue to educate yourself—since education is for the whole of life and never ends."

ADDRESS AT THE INAUGURATION OF ARTHUR D. WENGER AS PRESIDENT OF ATLANTIC CHRISTIAN COLLEGE

WILSON
May 3, 1957

This address is typical of many which the Governor delivered at denominational schools in the state during his term of office. He commented on the history of the college, reviewed the development of higher education in North Carolina, and placed special emphasis on the importance of church-related institutions. He spoke in terms of high praise for the position which Atlantic Christian College, a four-year liberal arts college chartered in 1902 under the auspices of the Disciples of Christ, has achieved in the community and in the state. With specific reference to the occasion at hand, he congratulated the college upon its good fortune in securing Dr. Arthur D. Wenger, a man of "natural ability, sound scholarship, and high Christian character," as its eighth president.

PRESENTATION TO THE U. S. HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEE REGARDING THE WILKESBORO RESERVOIR, A FEATURE OF THE YADKIN RIVER FLOOD CONTROL PROJECT

WASHINGTON, D. C.
May 7, 1957

A statement by Governor Hodges strongly supporting the construction of the Wilkesboro Reservoir was read into the record of the House Appropriations Committee. He pointed out that representatives of the North Carolina Department of Conservation and Development, the State Stream Sanitation Commission, and the Wildlife Resources Commission had each made extensive, objective studies of the alternate proposals for flood control in the upper Yadkin River basin. These three state agencies had concluded that the plan for the Wilkesboro Reservoir would result in "total benefits exceeding those of all other plans." Governor Hodges emphasized that this is a "clear-cut example of where the federal government can make an intelligent and constructive contribution" to the water resources problems that the state and local government are working vigorously to solve.

ADDRESS AT ALBEMARLE CENTENNIAL CELEBRATION

ALBEMARLE

May 13, 1957

The Governor flew to Stanly County to help the town of Albemarle celebrate its one hundredth anniversary by addressing a large crowd assembled in front of the City Hall. As was his custom at a celebration of this character, he reviewed the history of the town from its founding, described its present position with particular reference to the community's economic development, and then raised the question of future opportunities for expansion. The answer lies, he said, in more industry, both manufacturing and agricultural. He lamented the fact that North Carolina's industrial growth had fallen behind the rate of growth in the other southeastern states, and behind the rate of growth in the nation as a whole, but he spoke optimistically of the chances that his tax revision program would be accepted by the General Assembly. The proposed changes in the allocation formula by which the income of multi-state business operations are taxed would, he said, remove "one of the most serious roadblocks to future industrial development."

ADDRESS AT A RADIO PROGRAMMING CLINIC FOR THE NORTH CAROLINA ASSOCIATION OF BROADCASTERS

RALEIGH

May 15, 1957

A state-wide group of program directors and other radio station personnel met in Raleigh for a one-day clinic to discuss new programming techniques and to exchange new ideas and suggestions. The Governor expressed his gratitude to the state's stations who have "in their public service, gone far beyond the requirements of the Federal Communications Commission." As an example, he noted that the Association of Broadcasters had agreed to participate actively in a ninety-day drive to clean up the state's highways and parks. The campaign, which was under the direction of a Committee for Cleaner Highways, appointed by the Governor, and supported by the Garden Clubs of North Carolina, Incorporated, the 4-H Clubs of North Carolina, and other groups, had as its slogan "Keep North Carolina Beautiful—Don't be a Litterbug." In his address the Governor did not overlook the opportunity to reemphasize his support of the tax revision program which was at this time in the hands of the Appropriations Committees of the General Assembly.

ADDRESS AT THE FORTY-EIGHTH ANNUAL COMMENCEMENT OF EAST CAROLINA COLLEGE

GREENVILLE

May 19, 1957

East Carolina College, which was established by the General Assembly in 1907 as a teacher training school for women and had grown into a coeducational senior college with an enrollment of 3,693 students, was celebrating its fiftieth anniversary and its forty-eighth annual commencement. "We must think in terms of the *value* of living, not the *cost* of living," was the theme of the Governor's remarks to the 1957 graduating class. To reinforce his own expressions of faith and encouragement, he quoted liberally from the Scriptures, Dr. Harry Emerson Fosdick, Henry Wadsworth Longfellow, and several anonymous sources, and recited poetry by Robert Browning and Arthur Guiterman.

ADDRESS AT THE THIRTY-THIRD ANNUAL COMMENCEMENT EXERCISES AT HIGH POINT COLLEGE

HIGH POINT
May 26, 1957

In this typical commencement address the Governor urged the young graduates to "hold fast to your faith which has been carefully nurtured here and to go out into the world with the high purpose of serving mankind." The speech is similar to one he had delivered earlier in the month at Atlantic Christian College in which he traced the development of that college and reviewed the status of higher education in North Carolina, with emphasis on the church related school. On this occasion the Governor reviewed the history of High Point College since its establishment by the Methodist Protestant Church, with assistance from the city of High Point, in 1920, and spoke enthusiastically of "the fine way it is serving the needs of the youth of this area and beyond." He also paid high tribute to Holt McPherson, chairman of the Governor's Citizens Committee for Better Schools, for his "dynamic leadership, his untold energy, and his love of his community, church, and college."

ADDRESS AT TRI-CITY HIGH SCHOOL GRADUATION EXERCISES

LEAKSVILLE
May 31, 1957

A high school commencement "symbolizes our togetherness," the Governor told an audience of his fellow townsmen assembled for graduation exercises in Leaksville, following the dedication of a new field house donated by John Motley Morehead. He spoke warmly of Mr. Morehead, a native son, and his many gifts

Photo by Bill Gulley

Dedication ceremony at Cape Hatteras National Seashore Park Recreation Area, April 24, 1958. *Left to right:* Roger C. Ernst, Assistant Secretary of the Interior; Herbert C. Bonner, Member of Congress, First North Carolina District; R. F. Gibbs, Superintendent, Cape Hatteras National Seashore Park; Conrad Wirth, Director, National Park Service; Governor Hodges; Lindsay C. Warren; S. L. Shumway, representing the Avalon Foundation, New York City; Adolph W. Schmidt, Old Dominion Foundation, Pittsburgh, Pennsylvania; Francis T. Carmody, Avalon Foundation, New York City.

Photo by Hugh Morton

Don McNeil *(left)* and Governor Hodges appearing on Don McNeil's Breakfast Club radio program during the Governor's industry-hunting visit to Chicago, April 30, 1958.

to the University of North Carolina and to Tri-City High School as "evidences of his love and generosity for the people of his community." To the graduating seniors Governor Hodges described the diploma as a new passport—"a passport to higher education for some, to new jobs for others, and a passport to a more meaningful citizenship for all." He hoped they would be willing to campaign for new and better schools. "Other civilizations," he said, "have erected temples to their dead like the Taj Mahal and the Pyramids, but we as Americans build schools for our living boys and girls."

ADDRESS AT DEDICATION OF NEW SOLITE PLANT

LEAKSVILLE JUNCTION, NORTH CAROLINA—VIRGINIA

June 1, 1957

A speakers' platform resting on the line between the states of North Carolina and Virginia symbolized the cooperative nature of this industrial project which was designed by the Southern Lightweight Aggregate Corporation of Richmond to produce 500 tons a day of strong, lightweight building material. Attorney-General J. Lindsay Almond, soon to become governor of Virginia, spoke as a representative of Governor Thomas B. Stanley of that state. Governor Hodges told of the rich historical background of Rockingham County and of its enviable balance with respect to agriculture, trade, and industry, and spoke hopefully of a "great future for industry in North Carolina, Virginia, and the entire South." He concluded with a commendation of the 1957 General Assembly as "an outstanding legislature made up of hard-working, public-spirited, and sincere members."

ADDRESS AT THE JUDICIAL CONFERENCE OF THE FOURTH CIRCUIT

ASHEVILLE

June 7, 1957

Chief Justice Earl Warren, Attorney General Herbert Brownell, and Chief Judge John J. Parker were among those who heard

Governor Hodges address the Judicial Conference of the Fourth Circuit of the United States Court of Appeals. The topic suggested to the Governor for his remarks had been "Efforts to Improve the Administration of Justice in North Carolina," and on this theme he discussed steps already taken to increase the efficiency of the state's judicial system and the study then in progress by a special committee of the North Carolina Bar Association that was likely to result in far-reaching recommendations to the 1959 General Assembly. He felt, however, that there was a second aspect of the subject worthy of consideration, namely, the position of the judiciary in a plan of government which places great faith in the concept of separation of powers. He expressed forcefully his conviction that "when one branch assumes the traditional functions of the other, the assuming branch undermines confidence in its own position in the minds of the public and eventually finds itself to have acted against its own best interest. . . . If the public receives the impression that judges are prone to undertake the initiative in making and administering laws rather than leaving these functions to legislators or executives who are elected officials, then the public will insist that judges be elected and subjected to the immediate will of the body politic. It is also my belief that the public, under such circumstances, would be completely justified in its position." To prevent such an eventuality he recommended that each branch of government constantly "keep before itself the goal and ideal of the separation of powers."

ADDRESS AT THE CUMBERLAND COUNTY SAFETY-CHECK PROGRAM BANQUET

FAYETTEVILLE
July 9, 1957

Highway safety was a matter of deep concern to Governor Hodges, and he often lent his support to local efforts designed to supplement the activities of the Motor Vehicles Department and the Highway Patrol. On this occasion the Cumberland County Safety Council and the Fayetteville Chamber of Commerce, with the cooperation of military authorities at Fort Bragg and Pope

Air Force Base, had initiated a voluntary motor vehicle inspection program. Noting that 12 per cent of the highway fatalities in North Carolina during 1956 were attributable to mechanical defects, the Governor characterized the need for inspection as "a matter of cold fact." He spoke enthusiastically of Connecticut's successful program to reduce the toll of highway accidents under the leadership of his future Cabinet colleague Governor Abraham Ribicoff, whom he described as "an honest, able, and dedicated public servant with a great deal of courage." Recalling his thirty years' experience in industry and business, he "wondered if there is some way in which we could achieve in highway safety programs the feeling of individual responsibility which industrial accident programs have been able to achieve" and suggested that the driver-training program for high schools authorized by the 1957 General Assembly might be a step in inculcating such an attitude.

"NICKELS FOR KNOW-HOW"
A TRANSCRIBED RADIO BROADCAST BY GOVERNOR HODGES AND WILLIAM C. FRIDAY

RALEIGH

July 9, 1957

The 1951 General Assembly authorized a program whereby the Agricultural Foundation, the North Carolina Farm Bureau Federation, and the North Carolina State Grange conducted a referendum in which the farmers of the state agreed to an addition of five cents per ton to the cost of feed and fertilizer sold. These contributions were collected by the State Department of Agriculture and turned over to the Agricultural Foundation with headquarters at State College to expand research and educational activities which benefit the farmer. In 1954 the "Nickels for Know-How" program was extended for three years by the farmers' votes, and a third referendum was scheduled for August 23, 1957. More than $700,000 had been raised by this method in the plan's first six years. Governor Hodges and President William C. Friday of the Consolidated University of North Carolina participated in the campaign to continue the program by transcribing a radio broadcast, later used by stations across the state, in which they engaged in an informal discussion reviewing the plan, indicating the benefits of agricultural education and research, and stressing the need for private contributions to supplement state appropriations and student fees.

ADDRESS AT 1957 MIDSUMMER ENCAMPMENT AT BOHEMIAN GROVE

SONOMA COUNTY, CALIFORNIA

July 24, 1957

While vacationing in California during the summer of 1957 Governor Hodges was the guest of Charles L. Wheeler at the midsummer encampment of the Bohemian Club of San Francisco which is held annually at Bohemian Grove in Sonoma County. Invited to address the group one day, he spoke informally and revealed his skill as a raconteur by relating at some length and with good humor his version of "What the Governor of North Carolina said to the Governor of South Carolina." His listeners were also entertained with examples of the amusing mail coming into the Governor's office, the most unusual being the request from a Maryland widow who sought his assistance in finding a North Carolina husband! In a more serious vein, he discussed some of the problems resulting from the 1954 Supreme Court decision with regard to school segregation and expressed his concern over more recent decisions in cases involving civil rights which, he said, have "created confusion and distrust of the Court."

REMARKS AT A MEETING OF THE STATE HIGHWAY COMMISSION AND OTHER HIGHWAY PERSONNEL

RALEIGH

August 5, 1957

Reorganization of the State Highway Commission by reducing the size of its membership and reallocating certain of its functions, which Governor Hodges had long advocated, was authorized by the 1957 General Assembly. This two-day session was held in order that the newly organized seven-member commission might become acquainted with the operations of the Highway Department and its personnel under its new director, William F. Babcock. In his remarks opening the meeting the Governor expressed his confidence that the new commission could maintain North Carolina's long and progressive tradition in public highway development while meeting the increasingly complex needs of the present day. The main emphasis of his address to some 250 administrative officials and engineers was placed on the importance of public relations. "It is not merely a matter of trying to get something in a newspaper, "he said; "it is a matter of working with people in an honest, friendly, and effective manner . . . every highway employee must remain aware of the fact that he is a servant of the people and that his job basically is to serve the best interests of all the people as set forth in the policies of the commission."

ADDRESS AT THE NORTH CAROLINA FOOD DEALERS ASSOCIATION'S THIRTIETH ANNUAL CONVENTION

RALEIGH
August 26, 1957

Governor Hodges had addressed the independent food dealers of North Carolina in Greensboro on August 23, 1955, and had suggested that they appoint a committee to work with state agencies in promoting greater production and marketing of locally-grown food products. Speaking to the same group two years later, he repeated his earlier recommendation and again emphasized "the need for more local processing plants in the state, more attractive packaging, and better marketing of the various items produced in the state." He explained that 58 per cent of the total cash farm receipts of North Carolina came from one crop—tobacco—and that present world market conditions present serious problems for the tobacco economy. Therefore, he argued for more diversification and processing and urged the cooperation of the food dealers in this endeavor.

ADDRESS AT THE ANNUAL BEE TREE COMMUNITY PICNIC

SWANNANOA

September 7, 1957

Addressing a large crowd assembled for its annual picnic at the Bee Tree Church, a Disciples of Christ congregation near Swannanoa in Buncombe County, the Governor asserted that "the strength of our state and nation lies in such communities as Bee Tree, bound together by a common heritage and Christian ideals." He reviewed in some detail the growth of the Disciples of Christ in North Carolina and commended the denomination for "doing a good job throughout the state," with its 294 congregations, 58,000 members, and its Atlantic Christian College at Wilson where the state headquarters of the Disciples are also located. "Traditionally, religion has always had its strongest appeal among our rural people and in our rural areas," the Governor said, "and as the only institution in the community directly charged with conserving moral and spiritual values, the rural church can make a unique contribution to your agricultural way of life."

ADDRESS OF WELCOME AT THE ANNUAL JOINT MEETING OF THE FARMERS COOPERATIVE EXCHANGE, INCORPORATED, AND THE NORTH CAROLINA COTTON GROWERS COOPERATIVE ASSOCIATION

RALEIGH

September 10, 1957

An estimated 4,500 farm people and leaders from the two Carolinas, including about 700 Negro delegates, were assembled on this occasion in the Raleigh Memorial Auditorium. The principal speaker was Murray D. Lincoln, a farm leader and insurance company executive from Columbus, Ohio. In his welcoming remarks Governor Hodges praised Senator W. Kerr Scott, who was scheduled to speak later in the day, for "the strong position" he had taken in the recent session of Congress against "unreasonable and unneeded legislation dealing with our racial problems." North Carolina, said the Governor, "has a great deal to gain when its Congressional leaders, its governor, and state legislative leaders can and do agree on how we shall handle the great problems facing us following the recent decisions of the United States Supreme Court with reference to segregation." He then focused his attention on the increasing difficulty the North Carolina farmer is finding in making a living from the land and emphasized his program for encouraging industrial growth to supplement dwindling farm income. As on several other occasions, he noted particularly the plight of the tobacco farmer and defended the federal agricultural support programs for tobacco, which "despite all the problems involved," he said, "have been among the most successful of all commodity programs." Following the morning session the delegates withdrew to the Auditorium parking area and consumed ninety-seven hogs and 2,000 pounds of cabbage in barbecue and cole slaw.

ADDRESS AT THE 1957 FALL RALLY OF THE MEN OF ORANGE PRESBYTERY

GREENSBORO
September 15, 1957

Delivered on a Sunday afternoon in the First Presbyterian Church in Greensboro, this address was heard by representatives of the men's clubs and men's Bible classes of the eighty churches comprising the Orange Presbytery. The theme, "All the Way for Christ through Citizenship," was one that would be the subject of a panel discussion at the forthcoming annual convention of Presbyterian men's clubs in Miami, Florida, on October 10-13, 1957. Noting that the Reverend Billy Graham was scheduled to participate in this panel, the Governor said: "I had rather be Billy Graham and make the contribution he is making to the religious life of our nation than to be governor of North Carolina or even President of the United States." In the remainder of his speech the Governor praised the activities of the laymen who are active in the civic, social, and religious life of their communities and commended their efforts to "build a better world on spiritual foundations."

ADDRESS AT AN INDUSTRIAL CONFERENCE LUNCHEON SPONSORED BY THE CHARLOTTE CHAMBER OF COMMERCE

CHARLOTTE
September 18, 1957

This luncheon at the Hotel Charlotte was in the nature of an official "kick-off" for the formation of a new industrial advisory council sponsored by the Charlotte Chamber of Commerce to promote the bringing of new industry to the city. Governor Hodges commended the large group of businessmen for their "initiative, energy, and vision in working toward such a worthwhile goal." He explained that competition is keen in this field; that in addition to the thousands of communities which are striving to keep the plants they have, there are nearly 7,000 agencies in the country which are actively seeking new industry. "If we are to compete successfully for a substantial share of the nation's new industrial potential," he said, "we must, by our combined, cooperative, and coordinated efforts, summon our maximum resources to create the best possible economic, physical, and friendly climate in which new enterprise can be established and will prosper." In a lengthy speech amplifying this statement, the Governor echoed the substance of addresses made at Raleigh on September 3 and at Greensboro on September 13 (pp. 149-174).

REMARKS TO THE NORTH CAROLINA BAR ASSOCIATION INSTITUTE

CHAPEL HILL
September 26, 1957

The law schools of the University of North Carolina, Duke University, and Wake Forest College cooperated with the North

Carolina Bar Association in sponsoring this three-day institute on the state's new corporation code. At a banquet at the Carolina Inn opening the institute the Governor reminded the group of their responsibility as lawyers to furnish the state the leadership necessary to bring about a long-overdue improvement in court administration in North Carolina. He praised highly the action of the Bar Association in appointing two years earlier a Committee on Improving and Expediting the Administration of Justice, as well as a recent move of the association's president, William W. Taylor, in naming a committee of non-lawyers to participate in the study project.

ADDRESS AT BUSINESS FOUNDATION LUNCHEON

CHAPEL HILL
September 30, 1957

More than 250 of the state's leading business, industrial, and financial leaders honored Governor Hodges at a luncheon of the North Carolina Business Foundation, Incorporated. This was the first of a number of projected meetings to be held in cities throughout the state in the following weeks for the purpose of raising $2,000,000 to supplement the financial support of the School of Business Administration of the University of North Carolina. The Governor reviewed the establishment of the foundation twelve years earlier and its decision to provide significant resources to enable the University to attract and to keep superior faculty members in economics and business. "If North Carolina is to attain the goals it has set for itself it is not enough that we have a good School of Business here at the University," he said. "It must become an outstanding school . . . and this can be attained in only one way—by getting and retaining an outstanding faculty . . . I am confident that the business leaders of North Carolina will respond to the challenge." Spencer Love and Robert M. Hanes replied with expressions of conviction that the goal of the foundation would be reached.

ADDRESS AT NORTH CAROLINA INDEPENDENT TELEPHONE ASSOCIATION LUNCHEON

PINEHURST

October 3, 1957

Representatives from North Carolina's thirty-eight independent telephone compaines heard Governor Hodges discuss industrial development in the state in a speech that paralleled closely his address in Raleigh on September 3 (pp. 149-161). The topics referred to in this talk included: the state's per capita income; the activities of the Commerce and Industry Division of the Department of Conservation and Development; the Business Development Corporation, authorized by the 1955 General Assembly to make loans to new industries and to industries wishing to expand; the tax modernization program of the 1957 General Assembly; the formation of the Research Triangle; Southern Railroad's plans to provide trunk-line service across North Carolina; mineral resources of the state and industrial development in other southern states.

ADDRESS AT A LUNCHEON CONFERENCE ON AGRICULTURE FOR BANKERS AND FARM LEADERS OF NORTHWEST NORTH CAROLINA

WINSTON-SALEM

October 9, 1957

"Increasing Farm Income" was the theme of this conference, the fourth of its kind, sponsored by the Wachovia Bank and Trust Company. The luncheon meeting was attended by the Governor, who commended the North Carolina Bankers Association for winning for the thirteenth consecutive year the annual award by the American Bankers Association for its constructive work in the field of agriculture. He also praised the Northwestern North Carolina Development Association covering eleven counties which had received widespread benefits from this association's activities in the areas of community development, agriculture and rural industry, and the tourist business. Echoing previous and future remarks on this subject, he discussed the plight of the small farmer and stressed the idea that only through the creation of a strong, balanced "agri-industrial" economy can the low per capita income of the state be raised.

REMARKS AT A LUNCHEON WITH NEW YORK BUSINESS AND FINANCIAL EDITORS

NEW YORK CITY
October 14, 1957

Governor Hodges and twenty other state officials were spending a week in New York in search of new business for North Carolina. Accompanying the group at their own expense were several members of the Board of Conservation and Development, business leaders, and promotional representatives of various North Carolina communities. In this, the first of three speeches made by the Governor while in New York, he explained to a group of business and financial writers the purpose of the trip—"telling the North Carolina story as it relates to industrial expansion and of the unlimited opportunities we have for manufacturing plants desiring to locate in our great state." In addition to the natural assets of North Carolina, he pointed with pride to the large reservoir of efficient and dependable workers and to the splendid record of labor-management relations. The recent action of the General Assembly to modernize the tax structure for multi-state corporations, he asserted, has put the state on a more competitive basis with other states in dealing with new industrial prospects. "Reasonable and fair tax treatment of business and industry," he assured his listeners, "is a fixed policy of the state government."

ADDRESS AT A LUNCHEON GIVEN BY DUKE POWER COMPANY, CAROLINA POWER AND LIGHT COMPANY, AND VIRGINIA ELECTRIC AND POWER COMPANY

NEW YORK CITY
October 16, 1957

New York representatives of various manufacturing companies were invited to meet Governor Hodges and his industry-seeking party at a luncheon given by three public utility companies operating within North Carolina. In his address the Governor repeated his impressive list of the advantages of the state and assured his audience that a "North Carolina location will enable you to operate efficiently, effectively, and certainly competitively." He spoke enthusiastically of the Research Triangle project and referred particularly to the support of Karl Robbins of New York in promoting this major research park which he described as "tremendously exciting" and as having received "nation-wide attention."

ADDRESS AT THE DEDICATION OF THE REUBEN B. ROBERTSON PULP AND PAPER LABORATORY

RALEIGH

October 25, 1957

The dedication of a new building to house a pulp and paper laboratory at North Carolina State College afforded Governor Hodges an opportunity to recite the achievements of a personal friend for whom the laboratory was named. In an address entitled "Reuben B. Robertson, a Great North Carolinian," the Governor traced the career of Robertson, a native of Cincinnati, who came to Canton, North Carolina, in 1907 and in his subsequent fifty years as a resident of the state made many pioneer contributions, not only in the technical and business aspects of pulp and paper making, but also in the field of industrial and public relations. As an official and later president and chairman of the board of Champion Paper and Fibre Company, he maintained a dynamic interest in the promotion of sound forest practices, and he was one of the prime movers in establishing the Paper and Pulp Foundation to supplement state support of a specialized program in pulp and paper technology in the School of Forestry at North Carolina State College. The Governor also commended the work of State College in the field of pulp and paper education and concluded his remarks with the statement that, "For the vital part Mr. Robertson has played in building this important new program . . . naming this building the Reuben B. Robertson Laboratory of Pulp and Paper Technology is a fitting honor and a lasting tribute to one of North Carolina's great citizens."

ADDRESS OVER STATE-WIDE RADIO NETWORK AT THE FALL MEETING OF THE NORTH CAROLINA ASSOCIATION OF BROADCASTERS

WINSTON-SALEM
October 31, 1957

Governor Hodges was the special guest and speaker at a luncheon of some 100 or more representatives of radio and television stations around the state attending a two-day meeting in Winston-Salem. The Governor's address, which was carried over a state-wide radio network, was entitled "North Carolina and its Economic Growth and Development" and was similar in purpose and content to many of his other speeches on this subject. Its substance was repeated in his address at a special conference on plant locations sponsored by the American Management Association in New York on April 25, 1958 (see pp. 349-360).

ADDRESS TO THE MEN'S FELLOWSHIP GROUP OF PRITCHARD MEMORIAL BAPTIST CHURCH

CHARLOTTE
November 18, 1957

The Governor participated in the annual stewardship campaign of Charlotte's Pritchard Memorial Baptist Church by addressing a Monday night meeting of the Men's Fellowship Group and their guests. He chose as his text "Faith with Works" and cited Scriptural examples of men and women who did the impossible because of their unlimited faith in God. "Unfortunately," he said, "today many of us have a very weak, 'tired blood' sort of faith . . . but there are plenty of people in North Carolina today in every field of human endeavor who are demonstrating their faith by their works." As examples of men who have shown this active, dynamic faith he singled out Dr. Benjamin F. Swalin, who had faith that the people of the state would support its own symphony orchestra; Robert Lee Humber of Greenville, who envisioned a great State Art Museum and saw it come into being through his efforts; and Karl Robbins of New York, who demonstrated his faith in North Carolina and the Research Triangle by generous gifts to make possible a major research park. In addition to these examples of individuals, the Governor pointed out the effectiveness of faith in action on a community level and in the fields of education and industry.

ADDRESS AT THE TWENTIETH ANNUAL MEETING OF THE ALABAMA STATE CHAMBER OF COMMERCE

MOBILE, ALABAMA
November 20, 1957

This speech, entitled "Looking Forward in the South," was similar to many of the Governor's other addresses, particularly those delivered outside of the state. He quoted at length from his remarks at the Southern Governors' Conference at Sea Island, Georgia, September 23, 1957, on the Southern point of view, and repeated his analysis, based on Federal Judge John P. Parker's opinion in the Clarendon County (South Carolina) case, of the legal problems raised by the United States Supreme Court's decision concerning segregation in the public schools. Judge Parker had voiced the idea that the Constitution does not require integration but merely forbids discrimination, and Governor Hodges often advanced this interpretation. He expressed the hope that the uncertainties created by the issue would not hamper the South's economic development and reaffirmed his conviction that the moderates of the southern states must assert their leadership to prevent the "extremists" from making "our area a political and economic battleground that will hurt us greatly in our present forward march."

ADDRESS AT THE CHOWAN COLLEGE ENLARGEMENT PROGRAM CAMPAIGN DINNER

MURFREESBORO

November 22, 1957

A "kick-off" dinner in the Chowan College dining hall, marking the start of a fund-raising campaign to secure $750,000 for new buildings, brought Governor Hodges to Murfreesboro in eastern North Carolina. Throughout his tenure of office the Governor showed a consistent interest in cooperating with the denominational colleges of the state in their expansion programs, and on this occasion he reminded the college alumni and the local leaders that support of their school would assist them in their search for industry in the area. "You have one of the best industries of all in this college," he said. "Its payroll is substantial, its influence is outstanding, and its being here and constantly growing will attract still other industries . . . My advice to you is to support what you have and all these other things 'will be added unto you'."

REMARKS AT A STATE GOVERNMENT CONFERENCE SPONSORED BY THE DUKE UNVERSITY DEPARTMENT OF POLITICAL SCIENCE

RALEIGH

December 2, 1957

Governor Hodges assumed the role of a classroom lecturer as he spoke to a group of Duke University students on "The Role of the Governor in Policy Making." He reviewed the historical development of the office of governor of North Carolina and analyzed in textbook fashion the powers allocated to the governor that enhance his role as a formulator of policy. Emphasis was placed on the appointive duties of the office, the control of fiscal affairs, and relations with the General Assembly. At the conclusion of his prepared remarks, the Governor answered informally questions raised by the students. Other state officials took part in this clinic which was designed to give students a clearer understanding of their state government and its services.

ADDRESS AT DEDICATION OF THE NEW PLANT OF TOMAHAWK FARMS, INCORPORATED

Dunn

January 30, 1958

The establishment of processing plants to prepare and package locally produced farm products was often encouraged by Governor Hodges as an effective means of increasing the state's per capita income. An opportunity to elaborate his views on this subject was afforded by an invitation to participate in the opening of the new plant of Tomahawk Farms, Incorporated, at Dunn, where a country-type ham would be produced. "This home-owned, home-operated enterprise," said the Governor, "should provide a healthy boost in income to our farmers who raise hogs for the market" and should "serve as an inspiration to others throughout the state to start local processing plants to take care of farm commodities in their respective areas." Following an inspection of the building the Governor traveled to Raeford, where he visited the local plant of Pacific Mills before speaking that night to a county-wide farm meeting sponsored by the Chamber of Commerce.

ADDRESS AT A COUNTY-WIDE FARM MEETING SPONSORED BY THE RAEFORD CHAMBER OF COMMERCE

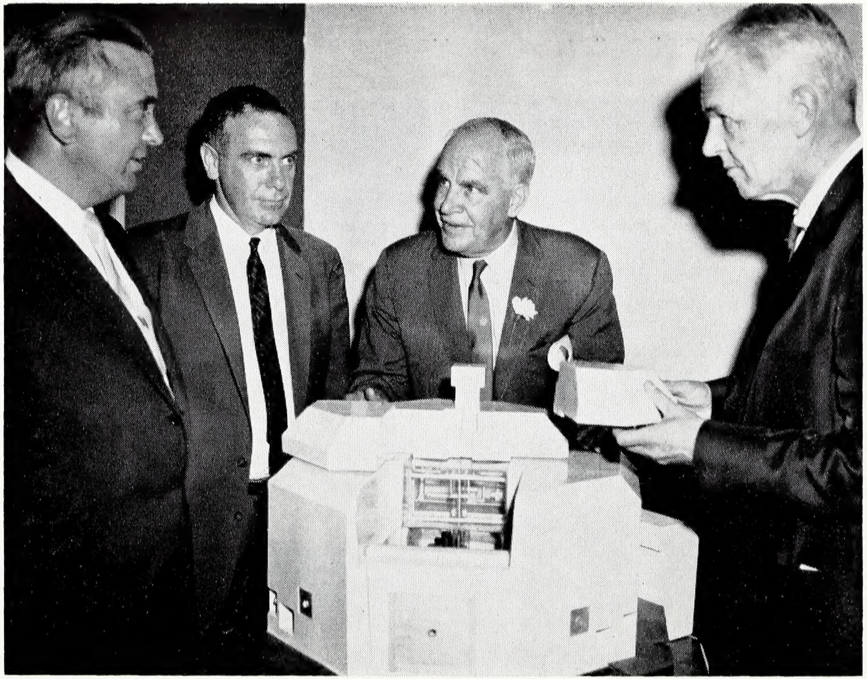
Raeford

January 30, 1958

The purpose of this meeting was to generate interest in a farm imporvement program being launched with the cooperation of all of Hoke County's civic clubs and agricultural agencies. The county's Negro farmers were holding a similar meeting at the same hour where the principal speaker was Dr. Glenn F. Rankin, dean of the School of Agriculture at North Carolina Agricultural and Technical College. Department of Agriculture specialists had estimated that the program could provide an additional $1,500,000 income for the county's farmers, which would more than offset the amount lost during the 1957 season. In his speech

Photo by Charles Barden

Governor Hodges discussing potato growing with R. H. Wellman *(center)*, manager of Union Carbide's agricultural chemicals department, and E. E. Fogle *(right)*, president of Union Carbide Chemicals Company, at the Union Carbide Chemical Company's research farm near Clayton, May 16, 1958.



News and Observer Photo

Announcement of the plans of Astra, Incorporated, to locate in the Research Triangle area, May 23, 1958. *Left to right:* A. C. Menius, head of department of nuclear engineering, N. C. State College; J. Frank Coneybear, president of Astra, Incorporated; Governor Hodges; George Watts Hill, chairman, Board of Governors of the Research Triangle Institute.

the Governor struck back at critics who had charged him with subordinating the farmers in his drive for new industry. Defending his administration's record in this regard, he said, "I would certainly like to see more emphasis placed on the great areas of mutual interest and support which we have between different occupations and economic opportunities, rather than stress the few differences." He expressed alarm over the proposals of Secretary of Agriculture Benson and took this occasion to announce that he would soon appoint a fifteen-member Governor's Farmer Advisory Committee to make concrete suggestions on farm policy and to plan a state-wide meeting on agricultural problems. Another aim of the committee would be to "inform our people in clear and understandable terms concerning present national farm legislation which is proposed and how terribly our state is dependent upon a national policy of price-support program."

ADDRESS AT A MEETING OF RIGHTS-OF-WAY AND SURVEY ENGINEERS

RALEIGH
February 6, 1958

Rights-of-way and survey engineers from all parts of the state had been called to this meeting to be briefed on a new procedure of right-of-way acquisition which had been adopted by the State Highway Commission at its January meeting in Winston-Salem. Governor Hodges addressed the group on the merits of setting up a standard state-wide manual of operation, in contrast to the previous system whereby practices might differ from division to division. Of particular importance, the Governor felt, were the public relations aspects of the new procedure which should result in greater public informtion and understanding of "one of the most serious problems which the State Highway Commission and its engineers face."

ADDRESS BEFORE THE CHARLOTTE SALES EXECUTIVES CLUB

CHARLOTTE
February 7, 1958

The Governor said the task of selling North Carolina's tremendous potentialities to our own people, to the nation, and the world is "the most challenging job I have ever had, and I have been in the business of selling for many years of my life." He explained that his present assignment was a far cry from the days when, as a boy of fifteen, he had worked on a Norfolk and Western train as a "news butcher", selling candy, newspapers, and cigarettes on the run between Roanoke and Norfolk. The selling of ideas and combinations of ideas "which people in public life usually call programs" is tougher, he said, than anything he had experienced in the business world, where you deal primarily with products and services; "yet the thrill of having some worthwhile idea accepted by the people is tremendous." He called on this group of sales executives to use their talents to help the state move ahead in every phase of its economy.

ADDRESS AT THE ANNUAL MEETING OF THE MECKLENBURG COUNTY VOLUNTEER FIREMEN'S ASSOCIATION

CHARLOTTE
February 7, 1958

After he had finished speaking to the Charlotte Sales Executives Club, the Governor dropped in on the annual meeting of Mecklenburg County's volunteer fire fighters. There he made a brief address before starting the return trip to Raleigh that night. He reviewed the development of fire fighting organizations in North Carolina and praised the efforts of volunteer groups, which "epitomize useful public service." The 1957 record of the Mecklenburg Association he characterized as "most impressive—with over 600 fire calls being answered by firemen who receive no compensation except the satisfaction of serving their fellow men."

ADDRESS BEFORE THE WILMINGTON CHAMBER OF COMMERCE AND OTHER CIVIC CLUBS

WILMINGTON

February 11, 1958

In this speech the Governor answered criticism that had arisen when he replaced the State Ports Authority with a new slate of members and backed the removal of the executive director's office from Wilmington to Raleigh. "Both actions were taken after long and deliberate study," he said; "It was my responsibility as governor to face up to the problems and to the challenges ahead in the proper development of our ports program." He called for an end to bickering between Wilmington and Morehead City, urged the two port communities to get behind the program of the State Ports Authority, and asserted that, "We must take advantage of our deep water resources or be outstripped by our southeastern neighbors."

ADDRESS AT THE THIRTIETH ANNUAL CONVENTION OF THE NORTH CAROLINA PHOTOGRAPHERS ASSOCIATION, INCORPORATED

RALEIGH

February 25, 1958

One of the tasks the Governor was often called upon to perform was that of crowning "queens" at festivals, fairs, and conventions across the state. At this banquet meeting at the Sir Walter Hotel he placed a crown upon the head of seventeen-year old Grace Ann Blanton, "Miss Professional Photographer of 1958," and made a short address to the assembled photographers. He reminded the group that their creative talents can aid their communities because photographs by a professional can tell a story about a town or an area which needs to be told to an industrial prospect, to a prospective donor of gifts, or to voters in a local school bond election. "You cannot be expected to give away your photographs," he said, "yet, at the same time, there is plenty you can do with your skill and talent in serving your community and your fellow citizens while earning a living for yourselves."

ADDRESS AT AN EASTERN REGIONAL INDUSTRIAL DEVELOPMENT CONFERENCE

GREENVILLE
March 25, 1958

Leaders of various communities in eastern North Carolina were holding this all-day conference in Greenville to consider problems affecting the economic and social welfare of that section of the state. The Governor challenged those present "to adjust substantially our farming practices to meet the revolutionary changes in the food industry . . . through broad diversification of our agricultural industry, coupled with the establishment of food processing and packaging facilities." In considering the potentials of the region, he insisted that the group must put aside any fixed ideas about the traditional economy of the area, or any hesitations about a possible change in the economy, because it is no longer possible to measure "your economic well-being by the stability of tobacco income." Again, he defended the program of his administration, and dismissed as a "lot of poppycock" the charge that he had placed too much emphasis upon industrialization and not enough upon the plight of the farmer.

ADDRESS AT THE FORMAL DEDICATION OF THE NEW BUTNER TRAINING SCHOOL

BUTNER
April 10, 1958

On behalf of the state Governor Hodges presented to the North Carolina Hospitals Board of Control a new $4,500,000 training school for mentally retarded white children and adults. The charge was accepted by John W. Umstead, chairman of the board, and a long time advocate of improved facilities for the state's mentally ill. A special election held in October, 1953, had authorized the sale of $22,000,000 in bonds to provide for the construction of this plant as well as similar facilities in Goldsboro for Negroes, which had been dedicated the year before. The Governor reviewed with pride the progress North Carolina had made in this field within the last twenty-five years by rising from forty-seventh in the nation in the quality of its mental institutions and the care afforded to patients to a place among the top twenty states in the general quality of its overall mental health program. He emphasized the importance of training schools for the mentally retarded, not only in human values, but in economic terms as well; and expressed optimism that the expanding public interest in mental health and the new programs being initiated by the medical colleges and universities would insure further progress along this line.

ADDRESS AT A COMMUNITY MEETING SPONSORED BY THE WARRENTON LIONS CLUB

WARRENTON
April 11, 1958

The Governor again spoke of the economic future of eastern North Carolina, emphasizing the need to stabilize agricultural income and to supplement it wherever possible with other business and industrial enterprises. He was well armed with statistics to prove that six of the state's major crops, tobacco, cotton, corn, peanuts, potatoes, and grains, had suffered appreciable losses in income during the past year, but that these losses had been offset somewhat by increased incomes on other farm products. "The important thing to glean from these facts and figures," he said, "is the realization that the trend is away from total dependence on tobacco and toward developing many new sources of income for the farmer . . . and it is necessary for him to find markets for his increasingly diversified production." While the state government stands ready, he explained, to assist in any way it can in the development of new markets, local and county leaders must take the initiative in selling their location to the operators of food processing plants. The announcement that a New York firm planned to erect a sizable pickle processing facility in Henderson he cited as an example of cooperation between the community and the Commerce and Industry Division of the Department of Conservation and Development.

ADDRESS AT CEREMONY COMMEMORATING THE HALIFAX RESOLVES

HALIFAX

April 12, 1958

The Governor led a parade through the old streets of Halifax and then spoke briefly at ceremonies opening a year-long celebration of the two hundredth anniversary of the founding of the historic little town. On the same date, April twelfth, 182 years earlier this community had witnessed the adoption of the Halifax Resolves, whereby North Carolina became the first colony to take an official and open stand for independence. Governor Hodges reviewed these events and expressed his conviction that one of North Carolina's most important resources is its history, "that is rich in the traditions that provide the incentive for perpetuation." He applauded the efforts of the Halifax Restoration Association to procure historic sites and restore them, not only because the town could become an important tourist attraction, but also because "you are endeavoring to preserve a vital part of our heritage." Halifax, he commented, occupies a comparatively unique position for restoration because the town, by passed by progress, is basically the same community that stood on the site two hundred years earlier.

ADDRESS AT A JOINT MEETING OF CIVIC CLUBS OF GOLDSBORO WITH THE BOARD OF CONSERVATION AND DEVELOPMENT

GOLDSBORO

April 14, 1958

The policy of the Board of Conservation and Development was to hold their quarterly meetings in different communities in order that its members could see first-hand the potentialities and problems of each area of the state. This three-day meeting in Goldsboro began with a breakfast sponsored by the Cliffs of the Neuse Association and was followed by a luncheon at the Hotel Goldsboro attended by many of Wayne County's civic leaders. In his address the Governor reviewed the growth of the Department of Conservation and Development, again emphasizing the activities of its Commerce and Industry Division and the necessity for local cooperation to supplement official efforts of the Division to attract new industry. The most significant portion of his remarks was a bluntly worded statement criticising the Eastern Carolina Regional Housing Authority for "not carrying through promptly a program to straighten out its affairs and restore public faith in this public agency." He was referring to recent revelations of scandals in the construction of housing at nearby Seymour Johnson Air Force Base that had resulted in several dismissals and resignations of personnel of the Authority. "You cannot have good government in North Carolina," he said, "and at the same time condone 'conflict of interest' activities."

ADDRESS AT BERTIE PRODUCE COMPANY MEETING

WINDSOR

April 17, 1958

Over 300 stockholders, mostly Bertie County farmers, had joined together to establish the Bertie Produce Company, a county-wide operation to provide better marketing facilities for the crops of the area, particularly vegetables and fruits. The Governor described it as "a gratifying experience" to attend dedicatory ceremonies on the site of the company's new sweet potato processing and storage house because this activity represented to him the "boot-strap type operation" that eastern North Carolina must undertake to expand its agricultural economy. He commended the local citizens and their officials for their initiative in this development, and singled out James A. Speight, Bertie's representative in the General Assembly, for recognition for his leadership in the project.

ADDRESS AT THE FORMAL DEDICATION OF MARTINDALE FOODS, INCORPORATED

WILLIAMSTON

April 23, 1958

This $150,000 sweet potato canning plant, built by a stock subscription company and assisted by a loan from the Business Development Corporation, was described by the Governor as a "good example of the type of cooperation that is transforming eastern North Carolina into an area of great economic potential—an area in which the people, rural and urban alike, are beginning to shed some of the fear that has been imposed on them in recent years by the growing instability of a one-crop agricultural economy." The corporation at the time had 435 stockholders, many of whom were farmers who had paid their stock subscriptions by delivering sweet potatoes to the plant for processing. It planned to branch out into other fields of food processing, leafy vegetables being the first addition, and in this way offer a local market for more diversified crop production. Following this ceremony Governor Hodges traveled to another Martin County community, Robersonville, for the dedication of a similar project, Austin Farms, a poultry processing plant.

ADDRESS AT DEDICATION OF AUSTIN FARMS

ROBERSONVILLE
April 23, 1958

Twenty-five hundred people turned out to help Governor Hodges and Senator-designate B. Everett Jordan celebrate the opening of a half-million dollar chicken processing plant in Martin County. A parade preceded the ceremonies, which were followed by a barbecued chicken dinner. It was an "exciting experience," said the Governor, to see the Austin Farms operation and also that of the Martindale Foods, Incorporated, because both plants had been financed by local capital, with the assistance of loans from his Business Development Corporation, and both represented a significant trend toward farm diversification coupled with the development of a food processing industry to provide not only markets for farm products, but supplemental employment as well. The major part of the Governor's address was devoted to an analysis of the benefits that could accrue to eastern North Carolina through increased poultry and egg production; in Martin County, for example, the major farm income gain during the past year had been $570,000 in this field, while the traditional farm products—tobacco, peanuts, cotton—had suffered a loss of almost $4,000,000. Only a few years before, poultry production had been a comparatively minor factor in the agricultural economy of the state, he explained, but today it has become a "dynamic force on the agricultural scene in North Carolina," the production and processing of broilers ranking "second in the state in farm income."

ADDRESS AT A LUNCHEON FOR CHICAGO FOOD PROCESSORS SPONSORED BY THE NORTH CAROLINA POULTRY PROCESSORS ASSOCIATION

CHICAGO, ILLINOIS
April 28, 1958

Encouraged by the success of his "good-will mission" to New York in October, 1957 (see pp. 204-215; 499-500), Governor Hodges led a group of some sixty North Carolinians to Chicago in April, 1958, where he made three speeches in an effort to convince Midwest business interests that his state offered a fertile field for industrialization. At a luncheon at the Conrad Hilton Hotel he enumerated for a group of food processors North Carolina's "outstanding advantages" for their industries, emphasizing that Tar Heel farmers are interested in growing fruits and vegetables as a substantial part of their farming operations and that they would welcome the opportunity to contract for production of these crops for processing. Opportunities for expansion of poultry and livestock production were also advertised by the Governor. Referring to a talk made to a similar group in New York during the preceding fall, he asserted that as a result of contacts made at that time the North Carolina poultry industry had already reported a gain of more than $3,000,000 in new business. "We expect this to be only the beginning!" he said by way of expressing his conviction that his Chicago visit would evoke equally tangible responses.

ADDRESS AT A LUNCHEON FOR INDUSTRIAL AND BUSINESS LEADERS IN CHICAGO

CHICAGO, ILLINOIS
April 29, 1958

Hughston McBain, chairman of the board of Marshall Field and Company, sponsored this luncheon to help his old friend and former business associate, Luther Hodges, tell the "North Carolina story" to Chicago industrialists and businessmen. The Governor's address described "the South's tremendous industrial potential" and stressed in particular the many advantages which North Carolina could offer to forward-thinking businessmen. Among these he enumerated natural resources and a well-balanced geography, reasonable and fair tax laws, and a large reservoir of efficient and dependable workers who "are cooperative, intelligent, easily trained, and give a fair day's work for a fair day's pay" and most of whom "are home owners who have an important stake in their community, state, and nation." At the same time, he disclaimed any desire to attract industries which might be seeking special treatment or concessions in return for moving to a new locality. Although admitting that "competition among the states has been terrific, and some of our good neighboring states have made some rather unusual offers to new industrial prospects," he stated that "we in North Carolina believe the best corporate citizens want to pay their own way." This was the second of the three speeches made by Governor Hodges during his week of industry-hunting in Chicago. (See pp. 360-368 for the third and last of these speeches.)

ADDRESS AT THE FORTY-FIFTH ANNUAL MEETING OF THE RACINE CHAMBER OF COMMERCE

RACINE, WISCONSIN
May 1, 1958

After leaving Chicago, Governor Hodges visited Racine, Wisconsin, where he inspected several industrial plants and was the featured speaker at the annual banquet of the local Chamber of Commerce. Among the guests was the governor of Wisconsin, Vernon W. Thompson. Governor Hodges noted with some envy the city's high employment figures in local manufacturing enterprises, and the high degree of industrial diversification, which he characterized as "an objective many North Carolina communities are fervently seeking to attain." Among his observations on industrial development, the topic on which he had been asked to speak, was that a state such as North Carolina must closely integrate its farming and manufacturing economies in order to utilize both "our native capabilities and traditional resources." He explained that the recent trip to Chicago was not a "raiding party" but "a group of hardworking citizens who paid their own way to meet with business and industrial leaders who might be considering expansions or new products or new markets . . . The reaction to our trip has been excellent, and we expect substantial long-term benefits from the efforts of this group of public-spirited citizens who made this trip because they love North Carolina."

ADDRESS AT THE UNITED BRASS WORKS PLANT DEDICATION

RANDLEMAN

May 10, 1958

As the number of industrial establishments in the state increased, the Governor was called upon with growing frequency to speak at plant dedications. He described United Brass Works' new facility in Randolph County as an "important addition to North Carolina's growing industrial family" and expressed particular pleasure at this "evidence that North Carolina is a good location for many types of diversified industries." The company, which has manufactured iron, brass, and bronze valves, parts, and fittings since 1910, had selected this Piedmont location for a new plant as a result of the spadework done by the Department of Conservation and Development and the combined efforts of the local Chamber of Commerce, city and county officials, and interested utility companies. "A successful manufacturing operation is always a matter of team-work between management, employees, and the citizens of the community in which the plant is located," said the Governor; "The team-work that went into the location of this plant here would certainly indicate that a solid foundation of mutual cooperation has been developed and is not likely to diminsh in the years to come . . . To the people of Randleman I would like to say that this new industry is important not only for itself but for the additional opportunities it represents . . . Cooperation and continuity of purpose such as been demonstrated here produces rich benefits for all concerned."

ADDRESS AT THE AMERICAN WOODWORKING MACHINERY AND EQUIPMENT SHOW

WINSTON-SALEM

May 13, 1958

At the largest display of woodworking machines ever shown in the United States, the Governor expressed his pleasure that this significant event was taking place in North Carolina, and he took advantage of the opportunity to "sell" North Carolina to the manufacturers of a kind of equipment in wide use in the state. "Here is a state," he said, "that offers everything the machinery manufacturer could possibly desire in the way of an ideal location for a manufacturing operation." Among the advantages he cited were: North Carolina ranks first in the nation in the production of furniture; the state is experiencing an accelerated growth in both its furniture plants and its other lumber and wood products industries; it is an "industrially ambitious" state located on the northern edge of the great lumber producing areas of the south; it has quick and easy access to the major northern markets; and through the furniture exposition building in High Point it offers the second largest furniture showcase in the world. He also reviewed the growth of the furniture industry and related enterprises that have "provided strength and stability to North Carolina's industrial development for more than three-quarters of a century."

ADDRESS AT THE DEDICATION OF THE UNION CARBIDE CHEMICAL COMPANY RESEARCH FARM

CLAYTON
May 16, 1958

This facility, which was already in operation on a 142-acre research farm near Clayton in Johnston County, was planned principally for experimental work and extensive testing on agricultural chemicals, weed killers, fungicides, and insecticides. The Governor expressed his particular pleasure in participating in these ceremonies that "symbolize the great transformation that has been taking place throughout North Carolina in recent years." Here is a new enterprise, he said, that "is basically a research operation, but one that can vitally affect our agricultural development and, indirectly, our industrial development. It is a material symbol of the diversification we have been advocating and actively seeking." He analyzed the factors that led to the selection of this location, and pointed out that the company had looked beyond the natural resources of the area and had felt it would benefit greatly from "close association with one of the leading research facilities in the nation—our dynamic Research Triangle."

ADDRESS AT GENERAL STEEL TANK COMPANY DEDICATION

REIDSVILLE
June 21, 1958

Although the Governor was attempting to reduce the number of his speaking engagements at this time, he could not resist an invitation to appear in his home county where he had announced his decision to run for lieutenant governor in 1952 and for governor in 1956. After expressing his pleasure at the location of this new industry in Rockingham County and repeating a number of remarks he had made on previous occasions with regard to the advantages offered to industry in North Carolina, he deviated from the occasion at hand to make a few observations on what he considered the next few years would hold for North Carolina and to comment upon the program which he planned to submit at the forthcoming session of the legislature. "I approach the 1959 General Assembly with the feeling that much is yet to be done," he said; "and I shall submit a program for the good of the state without regard for my own political future . . . I do not share the belief that a governor's last legislative session is a 'lame duck' session . . .I have great faith in the North Carolina General Assembly in any session, and I am certain that it will be no less disposed than I to strive diligently in the public interest and to act promptly and decisively on all matters affecting this state." He made no specific recommendations at this time, but he suggested that the reports of the special study commissions authorized by the 1957 General Assembly would serve to bring about possible changes in the state constitution, court improvement plans, new methods of financing the public schools, and improvements in other areas of government responsibility.

ADDRESS AT THE ANNUAL CONVENTION OF THE NORTH CAROLINA SAVINGS AND LOAN LEAGUE

ASHEVILLE
June 24, 1958

This speech, at eleven o'clock in the morning, was the first of two that the Governor would make on the same day in widely separated areas of the state, the second being at Carolina Beach where he addressed the annual meeting of the North Carolina Association of County Commissioners that evening (see pp. 393-408). In Asheville he pleaded with officials of the state's savings and loan associations to increase their participation in the Business Development Corporation. This agency, incorporated by the General Assembly in 1955 for the purpose of providing long-term loans to qualified applicants in the small industry field, had already approved loans totaling $4,819,000. The Corporation, he explained, "does not compete with banks, insurance companies, building and loan associations and other normal financial institutions, but it endeavors to pick up where they leave off." Noting that only four of a possible 148 savings and loan associations were members of the Corporation, a proportion far behind that of banks and insurance companies, the Governor urged this group to adopt a resolution vigorously favoring membership in the Business Development Corporation.

ADDRESS AT OPENING CEREMONIES OF THE DUPONT SILICON PLANT

BREVARD

July 11, 1958

The Governor attended many events of this type in various parts of the state and found "each a uniquely exciting experience, each different, and each deeply gratifying", but far too few of these, he remarked, "held the promise that this occasion embodies." The decision of the Dupont Company to locate a plant for the manufacture of silicon products for radio, television, electronics, and other scientific fields was a "sort of testimonial" to North Carolina because it represented the company's second large investment in the state, the first being a multi-million dollar plant at Kinston employing two thousand people in the production of Dacron polyester fiber. It was the opinion of the Governor that "had the company's experience in Kinston not lived up to the claims we had made for our state and our people, it is very unlikely that we would have an occasion for gathering here in the west today." Another important development, he told the Dupont officials, was his recent announcement that a Chicago firm was establishing in Raleigh a large plant for the manufacture of the latest types of electronic equipment, which will "in all likelihood provide a sizable market for the product of your plant here. It is entirely possible that North Carolina will become one of the major markets for silicon in the years to come. I am sure that you are aware of the fact that the electronics industry has shown a faster rate of growth in this state than any other industry in recent years."

ADDRESS OF WELCOME TO THE SOUTHERN INDUSTRIAL RELATIONS CONFERENCE

BLUE RIDGE

July 16, 1958

Following an address at a luncheon in Charlotte to a group of business and industrial leaders interested in the Research Triangle (see pp. 417-428), Governor Hodges flew to Asheville and then proceeded by automobile to Blue Ridge for a brief address of welcome to the Southern Industrial Relations Conference at eight o'clock in the evening. Noting the active interest he had taken in this organization since its beginning in 1919 and crediting its activities with a substantial contribution to the economic, cultural, and social well-being of the area, he spoke optimistically of the tremendous industrial development which the southern states had experienced during the past decade and pointed with particular pride to North Carolina's position of leadership in "this quest for a proportionate share of the nation's wealth for the people of the South."

REMARKS AT A CONFERENCE OF THE SOUTHERN REGIONAL EDUCATION BOARD

LOUISVILLE, KENTUCKY

July 18, 1958

This was the second of four appearances made by Governor Hodges at meetings held or sponsored by the Southern Regional Education Board while serving as chairman of that organization during 1958. (See pp. 289-295, 428-442, and 526, respectively, for his addresses at Athens, Georgia, and Charleston, South Carolina, and for a summary of his address at Lexington, Kentucky.) In his opening remarks at the Louisville meeting he reviewed the activities of the board and raised the questions: Do the conditions which prompted the governors ten years ago to create the Southern Regional Education Board still exist today? Are we still faced with the same sort of problems which, though they will not and cannot be solved solely and entirely by any sort of regional agency or approach, can nevertheless be ameliorated by a regional effort?

An analysis of the factors confronting higher education in the southeastern states had convinced the Governor, he said, that "the same conditions do indeed exist and are perhaps even more intensified in the sense that we have now seen happen that which was forecast a decade ago. But we must constantly re-appraise ourselves and our program and we must look ahead in the light of current developments." He urged each member to participate fully in the scheduled discussions of various aspects of the board's work so that "all of us will have the benefit of your contribution and so that your state may derive the most benefit possible from your presence here."

ADDRESS AT A LUNCHEON MEETING OF THE BOARD OF CONSERVATION AND DEVELOPMENT SPONSORED BY THE GREATER CHAMBER OF COMMERCE OF WILMINGTON AND NEW HANOVER COUNTY

Wrightsville Beach

July 21, 1958

During 1957-58 Governor Hodges appeared and spoke at six of the eight quarterly meetings of the Board of Conservation and Development which were held in different towns and were usually sponsored by local civic and business groups. Confidence, implemented with hard work, determination, and courage, was the formula he advocated in calling on leaders of the Wilmington area to push for the continued advancement of the economic welfare of their section of the state. "There is no doubt in my mind," he said, "but that Wilmington and the adjacent areas of southeastern North Carolina are on the threshold of a new era of industrial growth and economic progress that will bring great gains to this region." Few places in the state, he asserted, have the unique combination of advantages which exist here—an excellent deep water port, abundance of fresh water, a diversified transportation system, a plentiful supply of productive labor, room for unlimited industrial growth, a potential for diversified agricultural production, and finally community leadership with the determination to create a climate of attitude that is conducive to progress. Other portions of the address dealt with the record rate of industrial growth which, in spite of a national recession, the state had experienced during the past fiscal year and with the need for what the Governor called "bold, decisive action" with reference to the conservation and wise use of the state's water resources.

ADDRESS AT THE THIRTY-FOURTH ANNUAL CONVENTION OF THE NATIONAL SHADE TREE CONFERENCE

ASHEVILLE
August 26, 1958

The National Shade Tree Conference was established in 1924 for the purpose of stimulating public interest in tree preservation. Its activities were coordinated with those of the National Arborist Association and the American Forestry Association, and both organizations were represented at this annual convention in Asheville. Speaking in the City Auditorium, Governor Hodges appropriately chose the subject of conservation of natural resources as his main topic. He discussed the importance of North Carolina's forests, both economically and recreationally, and outlined the broad program of protection, maintenance, and improvement of the state's timber resources under the direction of the Forestry Division of the Department of Conservation and Development.

ADDRESS AT THE THIRD ANNUAL CONVENTION OF THE YOUNG BANKERS DIVISION OF THE NORTH CAROLINA BANKERS ASSOCIATION

RALEIGH
September 7, 1958

Governor Hodges told the young bankers of North Carolina that "it is necessary that you maintain a constant awareness of the indisputble fact that your personal success and that of your bank will inevitably rise or fall in direct proportion to the prosepirty of the area you serve. And, you must not only master the mechanics of the banking profession, but also acquire a working knowledge of all other aspects of the economy—agriculture, industry, small business, transportation, etc.—and you should know your state government." With regret he reported that North Carolina had dropped to forty-fifth place in the national scale of per capita income and that during 1957 it was one of two states (the other being Mississippi) in the Southeast to show a decline in per capita income. This he described as "quite a blow to those of us who have worked so hard and so long to move our per capita income upwards." The decline also came at a time when North Carolina was experiencing its greatest year in industrial development, and also one of its best years in the spread of agricultural diversification across the state. The reason for the drop, he explained, was the simple fact that during 1957 North Carolina lost $132,000,000 in farm income as a result of a poor tobacco crop and sharp reductions in tobacco allotments, and this one great loss offset a 4 per cent increase in non-farm income. The Governor admitted that he was "unhappy, of course, with this development," but he refused to be discouraged, for he believed "that we are on the right track with our campaign to raise per capita income and that our program will pay off in the long run."

REMARKS TO THE STATE COMMITTEE FOR IMPROVED COURTS

CHAPEL HILL

September 12, 1958

The State Committee for Improved Courts, consisting of one lawyer and one layman from each of the state's thirty judicial districts, had been appointed by Governor Hodges "to achieve the objective of informing the citizens of our state on the subject of courts and their administration; and to place before them the specific proposals for improvement which have been made, and to encourage and stimulate discussion and some thinking on this subject." J. Spencer Love of Greensboro was named chairman of the committee, Dr. John R. Cunningham, former president of Davidson College, vice chairman, and former Chief Justice Maurice Victor Barnhill, honorary chairman. At the committee's first meeting at the Institute of Government in Chapel Hill, the

Governor stressed the educational aspect of their assignment: "I do not even suggest that your task is to convince people of the correctness of the recommendations which have been presented by the study committee . . . your objective should be to encourage and stimulate discussion, study, and careful and reasoned consideration of these recommendations, and any others which may be made looking to the improvement of North Carolina's courts." Other speakers were J. Spencer Bell, chairman of the Committee on Improving and Expediting the Administration of Justice, Chief Justice J. Wallace Winborne, and Beverly Moore, president of the North Carolina Bar Association.

ADDRESS AT THE ANNUAL TRAFFIC DEPARTMENT CONFERENCE OF THE NORFOLK AND WESTERN RAILWAY

WINSTON-SALEM
September 18, 1958

At this dinner meeting in the Robert E. Lee Hotel, Governor Hodges reiterated his faith in North Carolina's industrial potential and enumerated the advantages possessed by the Tar Heel state. Several years earlier the Norfolk and Western Railway had initiated an ambitious industrial development program aimed at attracting new business to the six-state area served by its lines. The region was described as a "land of promise—rich in the elements needed for successful plant location," and a checklist of these "elements" had been prepared. The Governor analyzed each of the ten items on the list—availability of raw materials, strategic market locations, access to world markets, efficient, home-rooted manpower, favorable tax structures, excellent sites with room to grow, plenty of water and power, moderate climate and pleasant communities, fair real estate values, dependable transportation—and asserted his conviction that North Carolina rated superior in each category.

REMARKS AT THE DEDICATION OF THE C. HOWARD HUNT PEN COMPANY PLANT

Statesville

September 19, 1958

Governor Hodges welcomed the C. Howard Hunt Pen Company to Statesville, a town which he described as having "a well earned reputation as the 'Home of Small Diversified Industry'." Since World War II twenty new industries had located in the community, and other manufacturing plants already established there had experienced wide expansion. "One of the greatest attractions of this area," according to the Governor, "is its labor, both in quantity and quality." He quoted an official of the company as saying that the employees of the plant had shown supprising skill and adaptability to the company's type of work, and that "they have had more metal fabrication experience than our supervisors expected." This was the only factory operated by the company, which turns out pencil sharpeners, lettering pens, linoleum cutters, and other metal fabricated specialties. It was employing about 250 people in Statesville, while maintaining its headquarters and sales offices in Camden, New Jersey.

ADDRESS AT THE C. P. CLARE AND COMPANY PLANT DEDICATION

Fairview

September 19, 1958

From Statesville Governor Hodges travelled to Fairview, near Asheville, to extend the state's welcome to C. P. Clare and Company, manufacturers of electronic and electrical components for nuclear submarines and intercontinental balistics missiles, along with delicate computors, power controls, and communications systems for industry. Daniel K. Brigman of Charlotte and Allan R. Lewis of Hendersonville, North Carolina members of the crew that had recently sailed the submarine *Nautilus* under the North Pole, were also honored at the ceremonies. This gave the Governor an opportunity to comment on some basic character traits of North Carolinians that particularly suit them for the challenge of the future. "North Carolinians," he said, "are not stubborn people, but they are realistic. They aren't opposed to change as long as there's a good reason for it. But they've got to be convinced and they've got to think a thing through for themselves . . . And once the final decision has been made, they have pulled out the stops and moved forward with unity, dogged determination, and absolute faith in their ability to succeed." As an example of this attitude he described and praised the Western North Carolina Associated Communities organization which pioneered the area development association idea in June, 1946, and was the inspiration for six similar organizations that were formed later in various parts of the state.

ADDRESS TO THE ANNUAL MEETING OF THE SOUTHERN REGIONAL EDUCATION BOARD

LEXINGTON, KENTUCKY
September 22, 1958

In this address, made to the tenth annual meeting of the Southern Regional Education Board, Governor Hodges repeated much of what he had said at a conference sponsored by the Board at Louisville on the preceding July 18 (see pp. 520-521). He also reviewed the activities of the Board during the year 1958, emphasizing in particular the work of the seventh annual Legislative Work Conference held at Charleston, South Carolina, on August 21 (see pp. 428-442). Noting in conclusion that the new Southern Regional Education Board building in Atlanta would be completed in November, he predicted that, "As the Board enters its own physical home, we can all be proud of this first decade of accomplishment. We can all be confident that the next decade will see an even greater service to our several states and to the people of our region." This was Governor Hodges' last attendance as chairman of the Board, the press of the forthcoming legislative session having made him decline to stand for reelection. He was succeeded as chairman by Governor Cecil H. Underwood of West Virginia, the first Republican to occupy this position.

ADDRESS AT A COMBINED CIVIC CLUBS AND CHAMBER OF COMMERCE MEETING

WINSTON-SALEM
September 26, 1958

This address, made before a luncheon gathering of Winston-Salem community and civic leaders, was simliar to many others which Governor Hodges constantly delivered to business groups throughout the state on "the goal of raising the per capita income of our people so that we may enjoy a greater share of the economic wealth of this nation." As on various other occasions, he emphasized "the tremendous value of modern, productive industries" as a means of promoting "the sound and progressive industrial development of our state and its counties." In discussing the importance of area development associations, he referred to the lack of balance in the distribution of manufacturing establishments in the state and to the fact that more than half of the employment and industrial payrolls in North Carolina are located in ten of the state's 100 counties. Although recognizing the fact that Forsyth County and Winston-Salem were leaders in per capita income standing in the state, he urged his audience not to be complacent, but to "bear in mind that you are affected by every county below you, and it is essential that you continually strive to raise your own average."

ADDRESS AT THE ANNUAL CONVENTION OF THE STATE HIGHWAY EMPLOYEES ASSOCIATION

WINSTON-SALEM
September 26, 1958

Immediately following his luncheon meeting with Winston-Salem civic leaders Governor Hodges attended and spoke before the convention of the State Highway Employees Association. In his address he touched on a number of topics—the development of public roads in North Carolina, the "devotion to duty" of Highway Commission personnel, the responsibilities of public employees as public servants, North Carolina's liberal sick leave and vacation provisions, and the new policy of the Highway Commission to adopt a state-wide viewpoint by considering all localized highway requests in the light of total needs. "In my praise of the accomplishments of the present Highway Commission," he said, "I would like to make it perfectly clear that I imply no criticism of those who in years past provided the foundation upon which the new commissioners are building. Changes have been made, yes. But they were made in the interest of greater service to the people of the state, and not in condemnation of the old system or those who were associated with it."

After his two mid-day speeches in Winston-Salem, the Governor went to Charlotte where he attended a dinner meeting with sponsors of that city's Billy Graham crusade and was guest of honor at "Governor's Night" services. He had planned to move on into the western part of the state to be on hand for a meeting of the State Highway Commission at Waynesville on September 29, but reports that Hurricane Helene was threatening North Carolina's coast led to a change in his plans. He slipped away in the middle of the Billy Graham's sermon and flew back to Raleigh in order to supervise rescue activities.

ADDRESS AT MEETING OF THE BOARD OF DIRECTORS OF THE NATIONAL COUNCIL OF STATE GARDEN CLUBS, INCORPORATED

NEW BERN
October 7, 1958

North Carolina women were praised by Governor Hodges in this address to garden club representatives from across the nation assembled in historic New Bern for a meeting and a visit to the newly-restored Tryon Palace. "Much of the credit for the preservation of our traditions," he said, "belongs to the women of North Carolina who, by their courage, devotion, and loyalty, have provided the stability and, frequently, the leadership that enabled us to look to the future without losing touch with the past." He proudly reviewed North Carolina's heritage, and expressed his regret that more emphasis is not placed on the role that women have played, and continue to play, in every phase of the state's development. "Woman and her inherent interest in gardening," said the Governor, "have been directly responsible for many of mankind's achievements. . .Women were the first to transfer wild, selected food plants to a cultivated area—and this is considered by many to be the first significant step that man took toward civilization."

ADDRESS AT THE DEDICATION OF THE RIEGEL PAPER CORPORATION PLANT

ACME

October 8, 1958

This company had acquired its present plant site and extensive acreage of timber lands in Columbus County in 1937; since that time it had greatly increased its land holdings and pursued a thorough development program, established a seedlings nursery in the Lumberton area, engaged in a genetics program to improve the local strain of trees, and built a plant with a work force of 1,000 persons. At ceremonies marking a $15,000,000 addition to the plant for the manufacture of paper board, Governor Hodges again defended his industrial development program against the criticisms of "some politicians" and asserted that "very little can be done about a bad crop season . . . but something can be done to provide the farmer with other sources of income—sources that are less susceptible to the whims of Mother Nature. Industry is one of those sources. Agricultural diversification is another." He spoke at length of the economic benefits of the South's forests and optimistically predicted future developments in the use of forest products resulting from modern technological methods. As on several other occasions, he quoted Dr. Frank J. Soday, a vice-president of the Chemstrand Corporation, to the effect that, "When the last oil well runs dry, we can turn to the pine tree, the South's most important renewable resource, for the basic raw materials required for the production of petrochemicals"; and that, "So long as the pine tree and sea water are available, the South and its industry can look to the future with confidence."

ADDRESS AT THE ANNUAL CONVENTION OF THE SOUTHERN INDUSTRIAL DEVELOPMENT COUNCIL

RALEIGH

October 13, 1958

Governor Hodges and Vermont Connecticut Royster, a native North Carolinian and editor of the *Wall Street Journal,* were the featured speakers at this meeting of the Southern Industrial Development Council which was formed in 1946 as an interstate working organization to promote industrial expansion in the southern states. The Governor cautioned the group that they must guard against falling into a state of complacency, which could easily and quickly erase the tremendous gains that have been made in recent decades. He indicated areas in which they, as businessmen and as individual citizens, can work effectively to make their states attractive to new industry. "You can see to it," he said, "that your state and local government have the tools with which to pave the way for growth and progress throughout the South. First and foremost, you have the responsibility to see that your government at all levels is clean, honest, effective, and tuned to the desires and ambitions of the people it serves. You have the opportunity and the responsibility to see that taxes are levied on a proper and equitable basis . . . Another area in which you must assume responsibility is that of making available to the people who come to your state, to work or live or build a factory, good schools, good health programs, hospitals, mental institutions, good transportation facilities, and wholesome entertainment and recreation."

ADDRESS AT THE ANNUAL CONVENTION OF THE NORTH CAROLINA LEAGUE OF MUNICIPALITIES

WINSTON-SALEM

October 14, 1958

The importance of the next session of the General Assembly and the concurrent need for the interest and cooperation of municipal leaders were emphasized by the Governor in this address. In order to facilitate public participation, he explained that a series of briefing sessions were being scheduled throughout the state for the purpose of familiarizing the people of North Carolina with the problems that must be met by the 1959 legislature. These meetings were designed to serve a twofold purpose: to stimulate public consideration of the major issues, and to give the legislators an opportunity to study public opinion on these issues. It has become apparent, the Governor said, that additional funds are going to be needed if the state's governmental services are to keep pace with the demand for services in the coming biennium, and he called attention to several important study commissions that were preparing reports and recommendations for the legislature. While the Municipal Government Study Commission was perhaps of most immediate interest to this group, the Governor hoped they would give serious consideration to the proposals of other commissions as well. The necessity for long-rang planning "to make our cities and towns grow properly and effectively" was his final point, and he expressed the wish that every town and city would establish planning committees or commissions.

ADDRESS AT ANNUAL MEETING OF THE HIGH POINT CHAMBER OF COMMERCE

HIGH POINT

October 15, 1958

The High Point Chamber of Commerce was honoring one of its former presidents, George Hutchens, a successful grocery chain operator who, starting with one small store in 1915, had pyramided his operations into thirteen supermarkets known as the Big Bear Stores. This business activity, said the Governor, "has been a tremendous boost to the general business stability in the Piedmont region, but I think that the true measure of this man is determined by the fact that he has always found time to work for his community and its industrial and cultural development. . . . This is the type of leadership that every community needs, and must have, if it is to take advantage of its opportunities and develop in a way that benefits all of its people." The Governor also paid tribute to the late Frank Sizemore, director of the High Point Chamber of Commerce for nearly forty years, whom he described as "truly a guiding light during the dynamic period of growth in this area." The remainder of the address was devoted to the Governor's favorite theme of industrial development.

ADDRESS AT THE INAUGURATION OF EMMETT K. McLARTY AS PRESIDENT OF BREVARD COLLEGE

BREVARD

October 24, 1958

After commending the Western North Carolina Conference of the Methodist Church and the trustees of Brevard College for their "foresight and wisdom in selecting a man of Dr. Emmett McLarty's stature to carry on the great educational and religious program for which this institution is noted", Governor Hodges acknowledged the leadership of the Methodist Church in the effort to expand facilities for Christian higher education in the state. He repeated his remarks made the previous week to the North Carolina Conference of the Methodist Church meeting in Raleigh that "our Church, along with other great denominations in the state, is building and running our schools and colleges on a more economical basis, in many instances, than those run by the state. And our Church-related colleges are giving something in the way of Christian training and influence that is not always found in tax-supported schools and colleges." The major portion of the address was devoted to a review of the development of education in North Carolina from colonial times to the present, with emphasis on the pre-Civil War period when Wake Forest, Davidson, and Trinity Colleges, as well as a number of smaller institutions like Brevard, were established and when the state's first public school law was enacted by the legislature.

ADDRESS AT THE FALL MEETING OF THE BOARD OF CONSERVATION AND DEVELOPMENT WITH WESTERN NORTH CAROLINA CHAMBER OF COMMERCE OFFICIALS AND GUESTS

ASHEVILLE
October 27, 1958

The Governor spoke quite lyrically of the grandeur of North Carolina's mountains in the fall season. "This is the time of year when our mountains are transformed into something more than mere geologic creations," he said. "They become symbolic of the state itself—strong, resourceful, beautiful, enduring, humble in many ways, yet proud and audacious in others." Of the work of the Department of Conservation and Development, he sought to correct the misunderstanding shared by many North Carolinians that the department existed for the sole purpose of bringing industry into the state. Referring to the eight divisions comprising the department, he said that each directly or indirectly, compliments the work of every other one. Turning to the matter of tourist trade, which had long been a mainstay in the economy of western North Carolina, he reminded his audience that "tourism must be kept in its proper perspective. It must remain a vital part of the area economy, but it must be kept in mind that it is a 'part' and not the whole. Here, as in every other section of North Carolina, the road to prosperity will be found in the balanced economy—in productive diversification." In an appeal for unity and cooperation in all sections of the state, he described the possible destruction of the Outer Banks as a "North Carolina problem" and characterized as "folly" any thought "that one section of the state can suffer without the effects being felt in every other section."

ADDRESS BEFORE A CONFERENCE OF THE NORTH CAROLINA SCHOOL BOARD ASSOCIATION

CHAPEL HILL
November 6, 1958

The Governor addressed himself vigorously to a number of matters related to public education in North Carolina. He put school board members on notice that, in spite of the challenge of the times, "we are limited in what we can do by the money we can find to pay for it." He called again for greater support of the public schools on the local level. He commended the nine-member Committee for the Study of Public School Finance for its report, which was to be released the next day, but announced that he would continue to give his own study to the report and its recommendations and present his conclusions with respect thereto in his message to the next legislature. He cited the need for a realistic industrial education program as one of the major problems facing public education and praised a recent decision of the State Board of Education to sponsor a system of regional industrial education centers as a progressive step in dealing with this problem. He reminded school board members that their task "is of a semi-professional nature and the the legal responsibility of the board must be recognized and retained," but that at the same time, "the average citizen must be encouraged and allowed to participate in the formation of opinion and in the development of action in regard to the local school." This last statement was in defense of the Citizens Committee for Better Schools, organized in 1957, which had been criticized in certain quarters as an attempt to "take over" school activities.

REMARKS AT PRE-LEGISLATIVE CONFERENCES

Durham, Kinston, Waynesville, Salisbury

November 10, 11, 12, 13, 1958

These four regional meetings were designed as briefing sessions for members of the 1959 General Assembly, particularly to acquaint them with the reports of the study commissions authorized by the legislature and with matters related to the state budget. The procedure at each meeting was more or less the same: Governor Hodges opened the three-hour program with a statement of purpose and was followed by Senator Joseph C. Eagles of Wilson, chairman of the Tax Study Commission; Senator O. Arthur Kirkman of High Point, chairman of the School Finance Study Committee; Representative W. Cloyd Philpott of Lexington, chairman of the Government Reorganization Commission; Representative

Frank M. Wooten, Jr. of Greenville, member of the Municipal Government Study Commission; and Victor S. Bryant of Durham, chairman of the Constitutional Study Commission. A question and answer period for the legislators and a few closing remarks by the Governor concluded the agenda. Lieutenant Governor Luther E. Barnhardt also participated, and other members of the Council of State divided up appearances at the four meetings. In his remarks Governor Hodges reminded the group that the purpose of the meeting was solely one of information and that no efforts to get commitments of support were in order. He emphasized the fact that he purposely had not reached his own decisions on the various aspects of the study reports and that he would make his own recommendations at a later time.

ADDRESS AT A LUNCHEON FOR PHILADELPHIA INDUSTRIAL AND BUSINESS LEADERS

PHILADELPHIA, PENNSYLVANIA
November 18, 1958

Following the pattern established by earlier trips to New York and to Chicago, Governor Hodges and more than 100 state officials and private businessmen moved into the Philadelphia area to tell the "North Carolina story" to industrial prospects. In each of his public appearances the Governor made it clear that the Tar Heels were on a "good will mission" and had no intention of "raiding" Philadelphia or taking any of its existing industries away. On the first day the North Carolina party and a large group of Philadelphia businessmen were entertained at a luncheon at the Barclay Hotel sponsored by the First Citizens Bank and Trust Company of North Carolina. Governor Hodges delivered the major address, reviewing North Carolina's economic development and potential and emphasizing the state's interest in industrial research as illustrated in particular by the rapidly developing Research Triangle in the Raleigh-Durham-Chapel Hill area.

ADDRESS AT A LUNCHEON FOR PHILIDELPHIA INDUSTRIAL AND BUSINESS LEADERS

PHILADELPHIA, PENNSYLVANIA
November 19, 1958

This luncheon, similar to the one of the previous day, was held at the Sheraton Hotel and was sponsored by the gas distributors of North Carolina. The Governor again painted a promising picture of his state as the site for new industrial plants: "It is a thrill for me to sell North Carolina because I have a good product." He spoke of healthy diversification as the "type of industry building which we are working on constantly," and as an example explained the creation of the North Carolina Business Development Corporation. This private corporation, which the Governor actively endorsed, was set up for the purpose of providing long-term loans to qualified applicants in the small industry field. Its success, he said, exemplifies the forward-moving, cooperative spirit that is typical of North Carolinians. "I firmly believe," he added, "that we have the resources, the people, the energies, the courage, and the vision to make North Carolina one of the nation's leading states—a state well balanced between industry and agriculture, offering the kind of uncrowded living which we all seek in this age of congestion."

ADDRESS AT A LUNCHEON FOR PHILADELPHIA FOOD PROCESSORS

PHILADELPHIA, PENNSYLVANIA
November 20, 1958

Governor Hodges wound up his three busy days of meetings with industrial prospects by addressing a group of food processors from the Philadelphia area at a luncheon sponsored by the North Carolina Poultry Processors Association. His address, detailing the advantages his state could offer to the food processing industry, was almost identical to one he had made to a similar group in Chicago on April 28, 1958 (see p. 513).

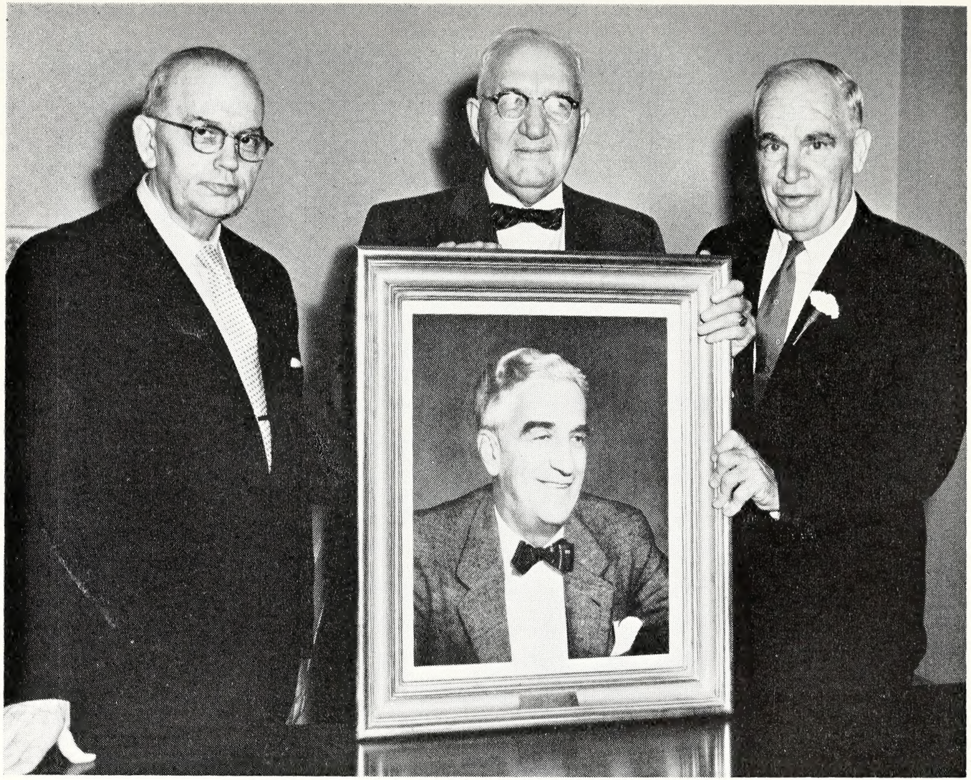


Photo by Shafter Buchanan

Presentation of a portrait of former State Treasurer Brandon P. Hodges in the treasurer's office, Raleigh, July 8, 1958. *Left to right:* Edwin M. Gill, state treasurer; Robert D. Coleman, official of the Champion Paper and Fiber Company; Governor Hodges.

Photo by Hugh Morton

The Governor, an honorary chieftain of the Scottish Clans, observes the Highland Games at Linville, July 13, 1958.

ADDRESS AT THE MID-WINTER MEETING OF THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS

ASHEVILLE
November 24, 1958

Speaking to a national convention of county officials, Governor Hodges took the opportunity to "brag a little bit on county government in North Carolina." He credited a large measure of the progress in this field during the last twenty-five years to the influence of the Institute of Government in Chapel Hill in establishing training institutes and conducting classes in both theory and practical aspects of county government. The major portion of the address was devoted to an analysis of county-state relations and the need for cooperation between the two levels of government. From his experience in North Carolina he cited two examples where responsibilities are shared by different levels of government: first, the local government approach to the school segregation problem and secondly, the area of highway construction and maintenance. The success of inter-governmental cooperation, he said, is in the final analysis based on one thing—good communication.

ADDRESS AT A CONFERENCE OF NORTHEASTERN AREA SOIL CONSERVATION DISTRICT SUPERVISORS

EDENTON
November 25, 1958

North Carolina's water problems and conservation of the state's water resources served as the theme of this address which was largely a repetition of the Governor's speech on the same subject at Scotland Neck on April 17, 1958 (see pp. 326-338).

REMARKS AT A CONFERENCE ON AMERICAN GOVERNMENT SPONSORED BY THE DUKE UNIVERSITY DEPARTMENT OF POLITICAL SCIENCE

RALEIGH
December 8, 1958

The Governor's remarks on this occasion were largely a repetition of those which he made to a similar conference of students sponsored by the Duke University Department of Political Science on December 2, 1957 (see p. 503). Confining himself to "a few of the more important parts of state government and particularly, the office of governor," he described the origin, duties, and powers of that office in North Carolina and characterized the governor's role as a "demanding one," calling for qualities of leadership, patience, knowledge, determination, and love for the state. As was true of the previous one, this conference was held in the Hall of the House of Representatives, with the Governor assuming more or less the role of a classroom teacher and, at the conclusion of his prepared remarks, answering informally questions raised by the students.

LIST OF OTHER SPEECHES AND ADDRESSES

LIST OF OTHER SPEECHES AND ADDRESSES

[This list contains the speeches, addresses, and other talks made by Governor Hodges in addition to those printed or summarized in the preceding sections of this volume. An asterisk following the date on which a speech was delivered indicates that no copy of this speech has been preserved among the Governor's Papers.]

January 14, 1957*	REMARKS AT A MEETING TO RAISE FUNDS FOR THE RESEARCH TRIANGLE, Durham
January 18, 1957	REMARKS AT A GRAVITATIONAL PHYSICS MEETING, Chapel Hill
February 12, 1957*	ADDRESS BEFORE THE SIR WALTER CABINET, Raleigh
February 15, 1957*	INTRODUCTION OF THE SPEAKER AT A DISTRICT ROTARY MEETING, Raleigh
February 19, 1957	REMARKS IN ACCEPTING PORTRAIT OF FORMER GOVERNOR WILLIAM B. UMSTEAD, Raleigh
February 28, 1957	COMMENTS ON A PANEL DISCUSSION ON PUBLIC EDUCATION OVER WFMY-TV, Greensboro (filmed telecast)
March 3, 1957*	GREETINGS TO MORAVIANS, FIVE HUNDREDTH ANNIVERSARY, Winston-Salem
March 5, 1957	REMARKS AT MARCH EGG MONTH BREAKFAST, Raleigh
March 15, 1957	REMARKS AT DINNER HONORING WILLIAM BRANTLEY AYCOCK, Selma
March 16, 1957*	REMARKS AT ANNUAL JEFFERSON-JACKSON DAY DINNER, Raleigh
March 25, 1957	REMARKS COMMEMORATING GREEK INDEPENDENCE DAY, recorded and broadcast over WPTF, Raleigh
April 4, 1957*	REMARKS AT A RECEPTION GIVEN BY THE NORTH CAROLINA EDUCATION ASSOCIATION COMMEMORATING THE ONE HUNDREDTH ANNIVERSARY OF THE ORGANIZED TEACHING PROFESSION IN NORTH CAROLINA, Raleigh
April 5, 1957	RADIO ADDRESS IN CONNECTION WITH A FOREST FIRE PREVENTION EXPOSITION, Lenoir (recorded and broadcast)

April 8, 1957	REMARKS AT A LUNCHEON FOR THE BOARD OF CONSERVATION AND DEVELOPMENT, Kinston
April 16, 1957	REMARKS IN PRESENTING A TROPHY TO GOVERNOR FRANK G. CLEMENT OF TENNESSEE AS ONE OF THE TEN OUTSTANDING MEN OF THE YEAR IN 1953, Durham
April 16, 1957	REMARKS INTRODUCING GOVERNOR FRANK G. CLEMENT OF TENNESSEE AT OUTSTANDING YOUNG FARMERS AWARDS BANQUET, Durham
April 25, 1957	ADDRESS AT DEDICATION CEREMONY, WILLIAM B. UMSTEAD MEMORIAL BRIDGE, Mann's Harbor
April 26, 1957	REMARKS AT DEDICATION CEREMONY, CARL ALWIN SCHENCK MEMORIAL FOREST, Raleigh
May 8, 1957*	REMARKS AT THE INAUGURATION OF WILLIAM C. FRIDAY AS PRESIDENT OF THE UNIVERSITY OF NORTH CAROLINA, Raleigh
May 9, 1957	REMARKS AT WESTINGHOUSE LUNCHEON FOR SUPPLIERS, Raleigh
May 15, 1957	REMARKS AT A DINNER FOR THE NORTH CAROLINA DELEGATION TO THE NATIONAL RIVERS AND HARBORS CONGRESS AND THE NORTH CAROLINA CONGRESSIONAL DELEGATION, Washington, D. C.
May 23, 1957*	REMARKS ACCEPTING PORTRAITS OF FORMER GOVERNORS CLYDE R. HOEY AND O. MAX GARDNER, Raleigh
May 26, 1957	REMARKS AT NORTH CAROLINA STATE COLLEGE COMMENCEMENT, Raleigh
June 2, 1957*	REMARKS AT THE WOMAN'S COLLEGE OF THE UNIVERSITY OF NORTH CAROLINA COMMENCEMENT, Greensboro
June 3, 1957*	ADDRESS AT NAVY AND AIR FORCE RESERVE OFFICERS TRAINING CORPS COMMISSIONING EXERCISES AT THE UNIVERSITY OF NORTH CAROLINA, Chapel Hill

June 3, 1957*	REMARKS AT DUKE UNIVERSITY COMMENCEMENT, Durham
June 3, 1957*	REMARKS AT ANNUAL COMMENCEMENT, UNIVERSITY OF NORTH CAROLINA, Chapel Hill
June 7, 1957	REMARKS AT THE GENERAL FEDERATION OF WOMEN'S CLUBS SIXTY-SIXTH ANNUAL CONVENTION, Asheville
June 13, 1957*	REMARKS AT ROTARY LUNCHEON HONORING CHARLES G. TENNANT, NEW PRESIDENT OF ROTARY INTERNATIONAL, Asheville
June 20, 1957	GREETINGS TO GIRLS' STATE, Raleigh
June 24, 1957*	REMARKS AT ROUND TABLE DISCUSSION OF PUBLIC EDUCATION AT ANNUAL MEETING OF THE GOVERNORS' CONFERENCE, Williamsburg, Virginia
August 7, 1957	REMARKS AT THE FIFTIETH ANNIVERSARY CELEBRATION OF JEFFERSON STANDARD LIFE INSURANCE COMPANY, Greensboro
August 13, 1957*	REMARKS AT A LUNCHEON MEETING OF THE NORTH CAROLINA ENGINEERING FOUNDATION, Raleigh
September 9, 1957	THREE THREE-MINUTE SPEECHES (ON GENERAL SCIENCE, WORLD HISTORY, AND MATHEMATICS) OVER EDUCATION TELEVISION NETWORK, Raleigh
September 18, 1957	ADDRESS AT DEDICATION OF THE NEW CHARLOTTE AIR RESERVE CENTER, Charlotte
September 20, 1957*	REMARKS BEFORE THE STATE HIGHWAY EMPLOYEES ASSOCIATION, Raleigh
October 2, 1957	ADDRESS AT INTERNATIONAL PAPER COMPANY LUNCHEON, Raleigh
October 4, 1957*	KEYNOTE ADDRESS BEFORE YOUNG DEMOCRATS CLUB CONVENTION, Pinehurst
October 7, 1957*	REMARKS AT BOARD OF CONSERVATION AND AND DEVELOPMENT LUNCHEON, Southern Pines

October 12, 1957*	REMARKS AT INSTALLATION OF CHANCELLOR WILLIAM BRANTLEY AYCOCK, Chapel Hill
October 27, 1957*	ADDRESS AT DISTRICT ROTARY MEETING, Orlando, Florida
October 30, 1957*	REMARKS AT LUNCHEON FOR COMMUNITY AND BUSINESS LEADERS GIVEN BY THE SOUTHERN RAILWAY, Kinston
November 9, 1957	REMARKS AT DEDICATION OF A. & M. KARAGHEUSIAN, INCORPORATED, RUG PLANT, Aberdeen
November 9, 1957	REMARKS AT DEDICATION OF PROCTOR ELECTRIC COMPANY PLANT, Mount Airy
November 22, 1957	REMARKS BEFORE THE FOURTH ANNUAL MEETING OF THE GOVERNOR'S TRAFFIC SAFETY COUNCIL (read by Edward L. Rankin, Jr.), Raleigh
November 23, 1957*	REMARKS AT DEDICATION OF SEA LEVEL COMMUNITY HOSPITAL ANNEX, Sea Level
November 25, 1957	REMARKS AT DEDICATION OF HOMELITE PLANT, A DIVISION OF TEXTRON AMERICAN, INCORPORATED, Gastonia
Decvember 2, 1957	REMARKS BEFORE THE GOVERNOR'S COMMITTEE ON CLEAN HIGHWAYS, Raleigh
January 21, 1958*	ADDRESS BEFORE THE COMMITTEE OF 100, A DEVELOPMENT AND PROMOTIONAL ORGANIZATION OF MIAMI BEACH, Miami Beach, Florida
January 22, 1958*	ADDRESS BEFORE ROTARY CLUB, Fort Lauderdale, Florida
January 23, 1958*	ADDRESS BEFORE ROTARY CLUB, Miami, Florida
February 3, 1958*	ADDRESS AT HIGHWAY COMMISSION LUNCHEON, Raleigh
February 6, 1958	ADDRESS AT SECOND ANNUAL GOVERNOR'S CONFERENCE ON OCCUPATIONAL HEALTH, Chapel Hill

February 7, 1958*	REMARKS AT OPENING OF THE HOME OFFICE OF THE SOUTHERN HERITAGE LIFE INSURANCE COMPANY, Charlotte
February 19, 1958	REMARKS AT A LUNCHEON GIVEN BY THE CORNELL CRASH INJURY PROJECT, Raleigh
February 20, 1958	ADDRESS AT WELCOMING CEREMONY FOR NEW SWIFT AND COMPANY PLANT, Wilson
February 21, 1958	REMARKS AT ANNUAL DINNER OF THE NORTH CAROLINA SOCIETY, Washington, D. C.
February 24, 1958	REMARKS BEFORE THE WINTER MEETING OF THE UNIVERSITY OF NORTH CAROLINA BOARD OF TRUSTEES, Greensboro
February 25, 1958	REMARKS AT GROUND BREAKING CEREMONIES OF THE PITTSBURGH PLATE GLASS COMPANY'S NEW FIBER GLASS PLANT, Shelby
March 5, 1958	REMARKS AT MARCH EGG MONTH KICK-OFF LUNCHEON, Raleigh
March 6, 1958	REMARKS AT RIBBON-TYING CEREMONIES MARKING FINAL CLOSURE OF LONG BEACH INLET, Long Beach
March 12, 1958*	REMARKS AT CEREMONY OPENING NEW BUILDING OF THE WACHOVIA BANK AND TRUST COMPANY, Charlotte
March 13, 1958	REMARKS AT GREATER CHARLOTTE'S SECOND OCCUPATIONAL HEALTH CONFERENCE, Charlotte
March 14, 1958*	REMARKS AT YOUNG DEMOCRATS RALLY, Salisbury
March 28, 1958	REMARKS BEFORE THE EMPLOYMENT SECURITY COMMISSION, Raleigh
April 1, 1958	REMARKS AT KEEP NORTH CAROLINA BEAUTIFUL MEETING (recorded), Raleigh
April 18, 1958*	REMARKS AT THE TWENTY-SIXTH ANNUAL ENGINEERS' FAIR, Raleigh
April 21, 1958	ADDRESS AT NATIONAL DEMOCRATIC DINNER, Washington, D. C.

April 22, 1958	ADDRESS AT DEDICATION OF THE CORNELL-DUBILIER PLANT ADDITION, Fuquay Springs
April 23, 1958	REMARKS AT MEETING OF THE NORTH CAROLINA CAPE HATTERAS SEASHORE COMMISSION, Nags Head
April 24, 1958	REMARKS AT DEDICATION OF THE CAPE HATTERAS NATIONAL SEASHORE RECREATION AREA, Nags Head
May 8, 1958	REMARKS INTRODUCING MR. EDWARD TELLER AT THE JUNIOR SCIENCE SYMPOSIUM, Chapel Hill
May 9, 1958*	ADDRESS AT THE THIRTEENTH ANNUAL CONVENTION OF THE NORTH CAROLINA HOTEL ASSOCIATION, High Point
May 23, 1958	REMARKS AT SAVINGS BOND MEETING FOR HEADS OF STATE DEPARTMENTS AND AGENCY REPRESENTATIVES, Raleigh
June 16, 1958	REMARKS AT COLONIAL STORE DEDICATION CEREMONIES, Raleigh
June 27, 1958*	REMARKS AT DINNER MEETING OF REGION THREE STATE AND TERRITORIAL CIVIL DEFENSE DIRECTORS, Morehead City
July 15, 1958	REMARKS AT MEETING OF THE GOVERNOR'S OCCUPATIONAL HEALTH COUNCIL, Raleigh
July 24, 1958	REMARKS AT STATE 4-H CLUB WEEK, Raleigh
July 26, 1958*	TALK TO WILDLIFE RESOURCES COMMISSION, Raleigh
September 16, 1958	REMARKS AT DINNER MEETING OF THE NORTH CAROLINA POULTRY PROCESSORS ASSOCIATION, Raleigh
October 1, 1958*	REMARKS AT UNITED FUND CAMPAIGN KICK-OFF, Raleigh
October 9, 1958	REMARKS INTRODUCING LOUIS V. SUTTON, PRESIDENT OF THE CAROLINA POWER AND LIGHT COMPANY, AT THE NEWCOMEN SOCIETY DINNER HONORING MR. SUTTON, New York City

October 14, 1958*	REMARKS BEFORE THE ELEVENTH ANNUAL TOWN MEETING ON BOOKS, Greensboro
October 28, 1958*	ADDRESS IN THE INTEREST OF THE TENTH DISTRICT DEMOCRATIC CAMPAIGN, Hickory
October 30, 1958*	ADDRESS IN THE INTEREST OF THE TWELFTH DISTRICT DEMOCRATIC CAMPAIGN, Bryson City
October 31, 1958	INTRODUCTION OF THE HONORABLE B. FRANK HEINTZLEMAN AT ANDREW JOHNSON COMMERMORATIVE CEREMONIES, Raleigh
November 1, 1958*	REMARKS AT DAVE CLARK RALLY, Lincolnton
November 3, 1958*	REMARKS TO THE ADVISORY COMMITTEE OF THE 1960 WHITE HOUSE CONFERENCE ON CHILDREN AND YOUTH, Raleigh
November 14, 1958	ADDRESS AT FORMICA FLAKEBOARD PLANT DEDICATION, Farmville
November 21, 1958	REMARKS AT MEETING OF THE GOVERNOR'S TRAFFIC SAFETY COUNCIL, Raleigh
December 7, 1958	REMARKS TO AMATEUR RADIO OPERATORS, Raleigh
December 11, 1958	REMARKS AT DEDICATION OF THE KELLOGG SWITCHBOARD AND SUPPLY COMPANY PLANT, Raleigh

GREETINGS, STATEMENTS, AND ARTICLES FOR THE PRESS

GREETINGS, STATEMENTS AND ARTICLES FOR THE PRESS

[Continuing the pattern set in the first volume of this series, no effort has been made to include here all the greetings, statements, press releases, and other public announcements that emanated from the governor's office during 1957-1958. The following have been selected as being among the more important documents in this category and as being illustrative of this phase of the Governor's activity.]

ON THE DEATH OF THURMOND CHATHAM

February 5, 1957

I was shocked at the news of Thurmond Chatham's death. North Carolina has lost a great public servant. He served with distinction in the Congress and his work on the Foreign Relations Committee of the House was outstanding.

Thurmond was a longtime personal friend, and classmate of mine at the University. Mrs. Hodges joins me in expressing sympathy to the family.

STATEMENT FOR THE *SOUTHERN ENGINEER,* NORTH CAROLINA STATE COLLEGE

March 1, 1957

Much has been written recently about the serious shortage of engineers and scientists in the United States. We are well aware of such a shortage here in our own state. The crux of the matter is simply that the needs of industry, government, and education for technically trained people have increased far more than the number of engineers and scientists being produced by our schools and institutions of higher learning.

The principal reason for this mounting demand is the prodigious growth of research in the last fifteen years. Annually expenditures for all types of research rose from $900,000,000 in 1941 to over $5,000,000,000 in 1953. Over two-thirds of the research is done by private industry, mostly to develop new and better products and to find new and better methods of production. Most of the rest is performed by the government largely to develop improved and inevitably more complex scientific weapons.

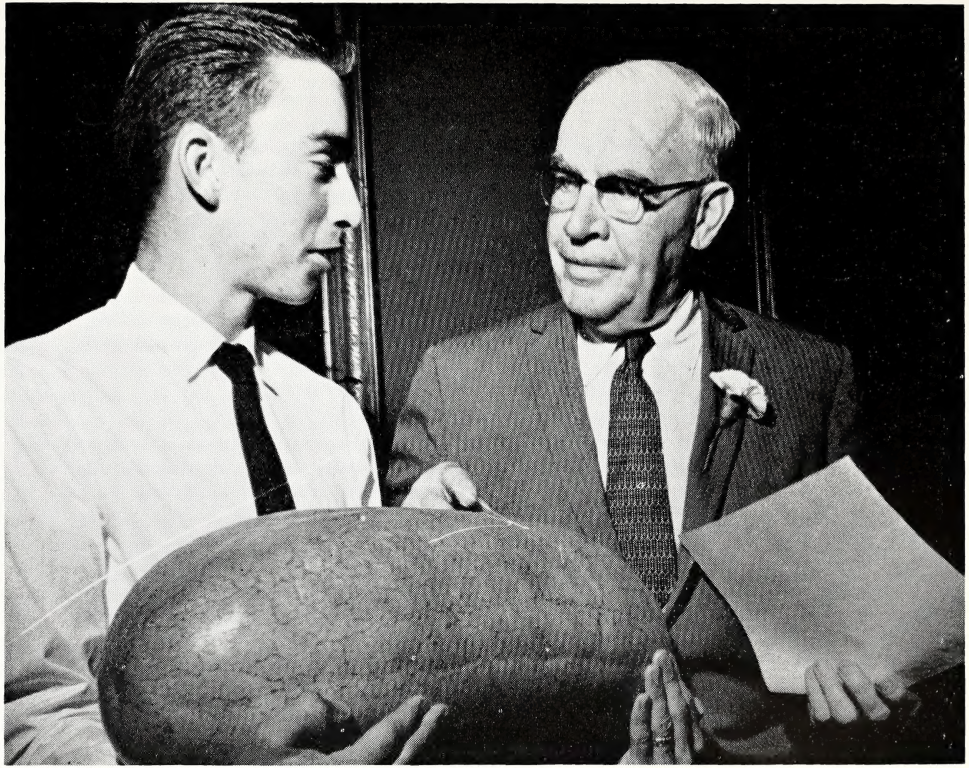
The dangerous situation with regard to the cold war and the technological race with the Soviet Union is well known. Over the last five years we have turned out only 142,00 engineers, compared to an estimated 216,000 in Russia. In 1955 our output was around 23,000 compared to their 63,000. Over the next five years our projected output is 153,000, against at least 400,000 in Russia. There will be an additional 150,000 or more in the satellites and Red China.

In Russia, 30 per cent of the college students are in engineering, compared to 8 per cent here. Another 30 per cent or more take degrees in natural sciences. Moreover, unlike ourselves, the Russians are ploughing back a large proportion of their science graduates into teaching, which implies a rapid buildup in the future. Hence we see that our shortage of teachnically trained personnel is a threat to our national defense and also to the continued expansion of our economy and further increases in our living standards.

The past fifty years have witnessed fantastic scientific and technological developments which have progressively increased the interplay between educational needs and economic welfare. While we have likely passed the point of no return to our former simpler and less gadgeted environment, we have yet to appreciate fully the obligations which the age places upon us. As the need for manual effort decreases the need for intellectual effort increases. This stern fact of our times must not be overlooked. A distinguished philosopher, Alfred North Whitehead, has issued a solemn warning:

> In the conditions of modern life, the rule is absolute, the race which does not value trained intelligence is doomed. Not all your heroism, not all your social charm, not all your wit, not all your victories on land or at sea can move back the finger of fate. Today we maintain ourselves. Tomorrow science will have moved forward yet one more step, and there will be no appeal from the judgment which will then be pronounced on the uneducated.

At North Carolina State College, engineering education is undergoing rapid changes. I am proud that the Engineering School at the College is doing its best to keep abreast of develop-



News and Observer Photo

The Governor gets a North Carolina watermelon, July 29, 1958.

Governor Hodges arriving by helicopter for a seminar on 4-th dimension warfare at Fort Bragg is greeted by Major General Robert F. Sink, August 9, 1958.

ments and is striving to keep its curriculum in step with the needs of the times. And I want to urge more and more of the graduates of the School of Engineering to look around them in North Carolina and see the tremendous opportunities which await them here. Many of our great industries began on a very small basis, often with just one man who had sufficient vision, courage, intelligence, and tenacity to devote himself unsparingly to building a greater company, corporation, etc. I challenge those engineering gradautes with confidence in themselves, in the talents which they have developed, and in the future of our state to cast their lot with us and to unite with us in building a greater and more beautiful North Carolina.

ON SALARY INCREASES FOR TEACHERS AND OTHER STATE EMPLOYEES

March 4, 1957

As you know, my tendency is try to think in terms of long-range progress, because my experience has been that emphasis on a short-range need can sometimes projudice a long-range improvement. However, it is well known that in dealing with governmental problems involving millions of people and their ideas and feelings, we must sometimes place emphasis on a short-term necessity and adjust any long-range plans to the short-term emphasis.

There has never been any doubt in my mind that the pay raises recommended for teachers were not adequate, and I have said so publicly. I would also like to emphasize that I am convinced that whatever pay raise finally is granted by the General Assembly will not be adequate with reference to teachers over the long pull.

I feel that during this session of the General Assembly we will have to recognize the short-term necessity of raising teacher and state employees' pay beyond the point recommended by the Advisory Budget Commission and myself, as we viewed the budget from the over-all point of view. Just how we will do this and where the money is to come from and what subsequent adjustments will have to be made is not clear at this time. However, I will gladly take the lead in helping solve the problem, and I feel sure that the members of the Advisory Budget Commission will join me in this.

CITATION HONORING RADIO STATION WBT

March 27, 1957

It is a pleasure to send greetings and best wishes to Radio Station WBT of Charlotte as it celebrates its thirty-fifth anniversary on Wednesday, April 10, 1957.

We in North Carolina are very proud of the record of service of this pioneer station, the first to receive a commercial broadcasting license in the South. Since that date, April 10, 1922, WBT has been a valuable and dependable voice of business enterprise, community service, entertainment, and news.

Beginning with only 190 watts, WBT has increased its power to 50,000 watts on a clear channel and serves North and South Carolina effectively. The scope of its wide listening area is indicated by a flow of mail representing every state on the Atlantic Seaboard from Maine to Florida.

I commend the Jefferson Standard Broadcasting Company, its management and personnel for its many accomplishments. Mr. Joseph M. Bryan, president, and Mr. Charles H. Crutchfield, executive vice president and general manager, have furnished outstanding leadership in the broadcasting industry.

WBT has been cited on numerous occasions for public service awards. *Variety,* the widely read show business publication, has honored WBT for its showmanship, for contributing to the public health of the community, and for efforts during the war years to maintain national morale. The WBT News Department in 1956 won the National Headliners Club award for the best reporting by a radio station in the United States. The Farm Department has received numerous awards of programs broadcast in behalf of rural residents.

As governor of North Carolina, I hereby cite Radio Station WBT for thirty-five years of outstanding service, and wish for this pioneer radio operation continued success in the years ahead.

DESIGNATING SOIL STEWARDSHIP SUNDAY AND SOIL STEWARDSHIP WEEK

April 15, 1957

Once again this year the state and nation will pay tribute to its productive soil by observing Soil Stewardship Sunday and Soil Stewardship Week.

This special week is sponsored in North Carolina by the State Association of Soil Conservation District Supervisors to increase the public's knowledge of the importance of maintaining a fertile and productive soil.

Productive soil is man's most priceless heritage and one of very few non-replaceable resources. Without it neither plants, animals, nor man could survive. We are dependent on it for food, clothing, and many of the raw products of industry.

The natural balance of nature's soil-building and conserving processes has been interrupted as man has used the axe, the plow, and fire in his efforts to produce essential food and raiment for himself. Unknowingly he set in motion the process of erosion, which has ruined millions of acres of once fertile soil. At one time America was wasting her soil resources at a faster rate than any other nation, but we are now learning to conserve them and at the same time produce abundantly.

Working through the soil conservation districts, which include every acre in the 100 counties of the state, North Carolina farmers are moving steadily toward the kind of soil stewardship which provides security for both its people and its land.

In recognition of the importance of the soil, I am glad to designate May 26, 1957, as Soil Stewardship Sunday, and May 26—June 2, 1957, as Soil Stewardship Week in North Carolina.

DESIGNATING NATIONAL COTTON WEEK IN NORTH CAROLINA

April 24, 1957

North Carolina and the nation will celebrate National Cotton Week May 20-25.

Cotton has long been recognized as one of the world's most vital crops; it is an essential commodity in meeting man's basic needs for food, clothing, and shelter. This versatile fiber today accounts for two-thirds of our domestic textile fiber consumption and is essential in hundreds of apparel, home, and industrial uses.

Cotton and cottonseed are important factors in the state's economy. In 1956, North Carolina farmers received $55,080,000 for cotton and $6,478,000 for cottonseed. In 1955, cotton and cottonseed accounted for 6.3 per cent of total cash receipts received by North Carolina farmers.

In the United States in 1956, the cotton industry represented a national investment of $2,444,000,000. Cotton and cottonseed provide employment for some 12,000,000 people engaged in processing, merchandising, and manufacturing them into useful products.

In recognition of the importance to our state's economy of this valuable fiber, I am glad to designate the week of May 20-25, 1957, as National Cotton Week in North Carolina, and urge all our citizens to join with me in the observance of this important event aimed at stimulating increased use of cotton products.

ON THE REPORT OF THE NORTH CAROLINA ADVISORY COMMITTEE ON EDUCATION

May 1, 1957

With reference to the April 30 report of the North Carolina Advisory Committee on Education, contained in a letter from the Honorable Thomas J. Pearsall addressed to the Governor, I would like to express appreciation to the chairman and members of the committee for their continued efforts in connection with the segregation problems in our public schools. I am pleased to learn that the committee feels there is no present need for revisions or additional legislation concerning this problem of the public schools.

I note that the committee cautions all of us that our problems "are still grave and far from solved" and that their solution still requires the best thought and cooperation of all of our people. I agree with the committee in its hope that local school boards in their efforts to work out the difficulties which may occur in their communities will be left free from outside interference by persons who do not have the responsibility for the education of our youth. As mentioned in my biennial message to the General Assembly, I think perhaps in order to help prevent such interference, we may need some legislation directed toward securing information concerning various propaganda and pressure groups who are active in this field. I have asked the attorney general's office to prepare legislation along these lines which will be introduced in the near future.

I would like to add my own word of caution to that of the Advisory Committee, reminding the people of North Carolina that this problem of our public schools continues to be with us and that its final solution must depend on the good sense and attitude of the individual citizens of all races. I would like also to express my gratification for the manner in which our citizens have to date approached this serious issue.

ON THE 1957 FISCAL OUTLOOK

May 1, 1957

There is always widespread interest in the results of April General Fund tax collections, since this is the month in which individual income tax returns must be filed. The April monthly revenue report of the commissioner of revenue is attached. As anticipated in the estimated $4,400,000 increase in the credit balance used in my last address to the General Assembly, receipts from individual income tax returns have been gratifying.

On the other hand, sales tax collections, reflecting March sales, show a disquieting $400,000 decline from the April experience of last year.

The Advisory Budget Commission in December estimated General Fund revenues for the fiscal year to be $236,260,000 which would have given us as of June 30 this year a $60,000,000 credit balance.

Based on revenue collections through March 31, we projected on April 9 an increase in the credit balance by $4,400,000. While collections as of April 30 may not warrant an increase in revenues to a total of $240,600,000, we feel, however, that additional revenues, together with savings that can be affected between now and June 30 will, as predicted on April 9, result in a credit balance of $64,400,000.

A careful analysis of collections to date for all schedules, together with May-June experience of the past, indicates that we cannot hope for a larger General Fund figure than that anticipated in my April 9 message.

Heads of the Department of Revenue, the Budget Bureau, and the Department of Tax Research join with me in these conclusions.

DESIGNATING ANDY GRIFFITH DAY IN NORTH CAROLINA

May 7, 1957

On Friday, May 31, Andy Griffith will give a benefit performance for retarded children at the William Neal Reynolds Coliseum at Raleigh.

Andy, a native of Mount Airy, has had a phenomenal rise in fame to stardom on the Broadway stage, television, and motion pictures. Yet this warm hearted young man is taking time from an extremely busy schedule to give his talents for the benefit of our children who need help most.

The benefit performance is sponsored by the North Carolina Association for Retarded Children, founded in 1953 at the Caswell Training School in Kinston. The organization seeks to assist all slow and mentally retarded children, to help parents in meeting the social and personal problems encountered with a retarded child, and to develop better public understanding and a more wholesome attitude toward mental retardedness.

In recognition of the services which this young North Carolinian is rendering, as well as the wholesome qualities which he represents, I am glad to designate Friday, May 31, 1957, as Andy Griffith Day in North Carolina.

DESIGNATING STONEWALL JACKSON DAY IN NORTH CAROLINA

May 8, 1957

For the first time in its history North Carolina will observe Stonewall Jackson Day on May 19— the day when a bust of this distinguished and beloved Confederate general will be unveiled in the Hall of Fame for Great Americans at New York University.

This special day is sponsored by the general organization of the United Daughters of the Confederacy, of which the North Carolina division is a vital part.

Stonewall Jackson was born on January 21, 1824, in Clarksburg, Harrison County, West Virginia, and died near Chancellorsville, Virginia, on May 10, 1863. He was accidentally shot by his own men, members of the Eighteenth North Carolina Regiment. Most of the troops under his command were North Carolinians.

North Carolina feels especially close to Stonewall Jackson since his second wife, Mary Anna Morrison Jackson, was born in Charlotte and many of the descendants of her family live in the state today.

It is fitting that we join with the nation in honoring Stonewall Jackson, one of our greatest Confederate heroes. I am glad, therefore, to designate Sunday, May 19, 1957, as Stonewall Jackson Day in North Carolina, and urge all our people to pay tribute to his memory.

ON THE DEATH OF ROY PARKER

May 8, 1957

I am deeply distressed to learn of the sudden passing of Representative Roy Parker, Sr. A veteran newspaperman and editor, he brought to his legislative duties a clear, sincere, and honest approach to the multitude of state problems. He was deeply interested in the progress and growth of North Carolina. We shall miss him greatly.

COMMENDING THE "PEOPLE-TO-PEOPLE" PROGRAM

May 9, 1957

The President of the United States has launched a "People-to-People" program based on the idea that communication on an individual basis from the people in one country to those in another will help build friendship and understanding.

There is merit to this idea because if we are to build a lasting peace we as individuals must do everything within our power to bring about a closer understanding among all peoples. Governments cannot perform this task alone. In these troubled and uncertain times, when the world is engaged in ideological warfare, we cannot overemphasize the importance of writing letters to our friends and relatives overseas. Through these individual and personal contacts, we can do great things in convincing the world of the sincerity of the American desire for lasting peace. This is certainly one instance where the pen is mightier than the sword.

We in North Carolina have many foreign visitors and students among us. These visitors are living, working, and studying with us. When they return to their homelands, it is hoped that they will carry a better and clearer understanding of America and its people.

Let us work as individuals and through civic, church, business, social, and cultural organizations so that "People-to-People" activities will make a greater contribution to the welfare of mankind.

COMMENDING THE SALVATION ARMY'S "SALUTE THE CAROLINAS" WEEK

May 10, 1957

During the week May 13-19, the Salvation Army "Salutes the Carolinas" in a unique campaign designed to pay tribute to the citizens of both states for their generosity and encouragement during the past year.

I have been asked to join with the Salvation Army in this tribute to the people of North Carolina. It is a pleasure to do so, because this is an effort on the part of a great religious organization to say "thank you" for the support it has received from so many people in North Carolina.

Through the years the generosity of North Carolinians has enabled the Salvation Army to carry out an extensive program of service to mankind. These contributions have fed the hungry, furnished shelter for the homeless, provided clothes for burned-out families, and given assistance in hundreds of other ways.

It is a pleasure to share in this campaign as the Salvation Army expresses its appreciation for the continuing support, good will, and understanding of the people of North Carolina.

ON THE FAILURE OF THE GENERAL ASSEMBLY TO ENACT A MINIMUM WAGE LAW

May 16, 1957

I am very much disappointed. I sincerely believe that a minimum wage law would be for the best interests of the state and for the people as a whole. I am undecided at this time as to what, if any, further action can be taken.

ON THE DEATH OF BLANFORD BARNARD DOUGHERTY

May 28, 1957

The death of Dr. Blanford Barnard Dougherty, founder of Appalachian State Teachers College, at Boone, has removed from the North Carolina scene a great pioneer in public education. Dr. Dougherty devoted his entire life to the development of public education for the children of western North Carolina. He invested his ability, talents, and energies into the lives of thousands of young people from every walk of life.

It is difficult to estimate the many contributions Dr. Dougherty made to the progress, growth, and development of western North Carolina. He was a tower of strength. We are greatly saddened by his passing and extend our sympathies to the members of his family.

HOW THE 1957 INCOME TAX ACT WILL AFFECT DOMESTIC CORPORATIONS

June 20, 1957

Under the old income tax law our North Carolina corporations doing business in this and other states were taxed by an outmoded method. They were not privileged to use our allocation formulas applicable only to foreign corporations in determining that portion of their net income earned in North Carolina. This discrimination resulted in attributing to North Carolina income earned in states that do not levy an income tax and in some cases a portion of income earned in states which levy an income tax under laws more liberal than ours. Many of our North Carolina corporations were obliged to solve this problem by the simple expedient of obtaining a foreign charter accompanied, of course, with the cost of reorganization. Under the new law, among many other badly needed changes, this discrimination is eliminated and our own North Carolina corporations will receive as favorable treatment as that accorded similar foreign corporations.

ANNOUNCING THE APPOINTMENT OF CAPUS WAYNICK AS ADJUTANT GENERAL

July 12, 1957

Major General John Hall Manning has submitted his resignation today as adjutant general of the state of North Carolina. I have accepted the resignation and thanked the general for his many years of state and federal service. I am announcing later today the appointment of Honorable Capus Waynick of High Point, former United States ambassador to Columbia and Nicaragua and an able administrator, as new adjutant general in a move designed to bring a more objective approach to the problems in our national guard. I sincerely believe this is in the public interest and will result in a stronger, more effective guard for North Carolina.

DESIGNATING WATERMELON DAY IN NORTH CAROLINA

July 22, 1957

North Carolinians will pay tribute to the watermelon on Wednesday, July 24, as they celebrate Watermelon Day.

As a part of Watermelon Day festivities, the first 4-H and FFA Watermelon Show and Sale will be held at the Raleigh Farmers Market.

Of the watermelon Mark Twain once said: "The true southern watermelon is a boon apart, and not to be mentioned with commoner things. It is chief of this world's luxuries, king by grace of God over all the fruits of the earth. When one has tasted it, he knows what the angels eat. It was not a southern watermelon that Eve took; we know it because she repented."

In recognition of the value of watermelons as a means of supplementing farm income, I am glad to designate Wednesday, July 24, 1957, as Watermelon Day in North Carolina, and urge all of our citizens to observe this day in an appropriate manner.

DESIGNATING PEACH EATING TIME IN NORTH CAROLINA

July 23, 1957

North Carolinians will observe Peach Eating Time in North Carolina July 22-August 8.

This special observance is sponsored by the North Carolina Mutual Peach Growers' Society.

Peach growers expect a yield of 1,500,000 bushels this year—the best crop in ten years. The peach-growing counties of Montgomery, Richmond, Moore, Anson, Scotland, Lee, and Hoke supplement the state's agricultural economy by several million dollars each year.

In recognition of the value to the state's economy of this delicious fruit, I am happy to designate July 22-August 8, 1957, as Peach Eating Time in North Carolina, and urge all of our citizens to buy and eat North Carolina peaches during these two weeks and as long as they are available.

ON INTEGRATION OF THE CHARLOTTE, WINSTON-SALEM, AND GREENSBORO PUBLIC SCHOOLS

July 25, 1957

I said last December in a statement that was carried in the press that as I understand the Pearsall plan, the constitutional amendment implementing the plan, and the vote of the people approving same, the very clear conclusion is justified that North Carolina has now placed this problem completely in the hands of the communities of the state. I have further stated that it should also be understood that this statement was not to be interpreted as either approval or disapproval of any action by a community.

This is my understanding of the official state policy on this matter, and constitutes my position with respect to the action taken by the school boards at Charlotte, Greensboro, and Winston-Salem.

WARNING AGAINST LAWLESSNESS IN CONNECTION WITH THE SEGREGATION ISSUE

August 29, 1957

My personal view against mixing of the races is well known. Without judging whether recent actions by some local school boards are right or wrong in accepting or rejecting Negro applicants, I want to emphasize that the state and the people of North Carolina will not tolerate any lawlessness or violence in connection with this problem.

GREETINGS TO THE CHARLOTTE REHABILITATION AND SPASTICS HOSPITAL

September 6, 1957

It is a pleasure to send greetings and best wishes as the new Charlotte Rehabilitation and Spastics Hospital is formally opened. The opportunity for service here is great and will be even greater in the future as additional facilities are added. I am confident that this new hospital, and those who furnished its leadership and direction, will meet the challenge ahead.

This facility is a tremendous addition to our State Vocational Rehabilitation program. Rehabilitation is a rapidly developing part of medical care, and our disabled individuals are to be heartily commended for their ability and desire to perform remunerative work rather than depend upon families, friends, or welfare agencies for their sustenance.

This hospital is an example of what can be done by public-spirited and generous North Carolinians who are willing to do something constructive about a most serious problem facing many of our less fortunate fellow citizens.

To all who have had a part in making this hospital a reality, I send my warmest best wishes and congratulations.

DESIGNATING CORN BREAD WEEK

September 16, 1957

North Carolinians will observe Corn Bread Week October 7-13.

Corn bread is a delightful bread and typically southern. It has from the beginning been an integral part of the southern way of life. There are infinite gradations of corn bread, from the hoe cake of slavery and Civil War times—when the Negroes baked it on hoes before an open flame and the soldiers baked it on their bayonets before the bivouac fires—up to the melting softness of spoonbread.

No matter how one cooks corn bread, old fashioned, southern style meal is preferred. And the 500 millers of this state are rendering an invaluable service to our people by producing nutritious southern corn meal.

In recognition of the place of corn bread in our daily lives and of the importance of corn meal to our economy, I am glad to designate the week of October 7-13, 1957, as Corn Bread Week in North Carolina and urge all our citizens to observe this week in an appropriate manner.

TO THE YOUNG DEMOCRATS OF NORTH CAROLINA

September 17, 1957

I appreciate this opportunity to communicate with the younger members of our great political party. The Young Democrat Clubs offer a wonderful opportunity through which young people can contribute their ideas, energies, and service, and our North Carolina YDC is doing a good job.

The Democratic party in North Carolina has made such an outstanding record for the past half century that it may sometimes be taken for granted by the membership of the party itself. We do have opposition, especially in certain sections of North Carolina, and the membership of our party, whether on the local or state level, must strive constantly to match or surpass our achievements of the past. The future holds great promise for our Democratic party and for each Democrat willing to meet the challenge ahead.

I send best wishes to each Young Democrat and urge that we all redouble our efforts to make our party more vigorous and more successful than ever before.

ON BROADCAST INTERVIEWS WITH NORTH CAROLINIANS IN THE ARMED FORCES ABROAD

September 19, 1957

I am pleased to learn that WPTF, one of our best known radio stations, is originating a new series of broadcast interviews with North Carolinians now stationed with the United States Army in Germany and France. This is a fine public service which enables many of our young men now serving in Europe to communicate directly with friends and family here in North Carolina. I understand that other radio stations across the state will cooperate in carrying this series during the next six weeks.

I send my greetings and best wishes to all the families represented by these men serving in Europe. I know that we are all grateful for the service which each individual soldier is rendering. I would like to express my appreciation also to Phil Ellis, who made the trip to Germany and France, and to Station WPTF here in Raleigh.

ON THE FEDERAL DEFENSE DEPARTMENT'S ALERT ORDER DURING THE SCHOOL INTEGRATION CRISIS

September 27, 1957

[As a consequence of anti-integration disturbances in Little Rock, Arkansas, the Federal Defense Department on September 25, 1957, issued a precautionary training directive ordering army units in the South to be alerted for calls to trouble spots which might develop on the school integration front. Although the directive was quickly canceled by the Secretary of the Army, it was widely condemned in the South. Governor Hodges joined in the general southern criticism of the alert order in a sharply worded statement issued shortly after the order and its withdrawal had been made public.]

I am shocked and amazed that the Department of Defense at Washington should issue a riot alert to the Armed Forces of the United States in the southern states. I sincerely hope that President Eisenhower was unaware that this had been done; but the administration in Washington must bear a heavy responsibility for this order, which could only have been issued on the highest level at the Pentagon. Although this order was hurriedly canceled when it became known publicly, this is a perfect example of the hysteria now dominating many of those in authority in Washington.

As Governor of North Carolina, a sovereign state, I denounce such strong-armed tactics. These tactics are unnecessary, undemocratic, and unworthy of America.

I can only hope that this sort of thing is not indicative of the attitude and conditions our Committee of Southern Governors will face when we go to Washington Tuesday for our conference with the President.

I want the people of North Carolina and the South and of the entire nation to know that as far as I am concerned, I will go to Washington to seek removal of federal troops from Little Rock, Arkansas. This is a mission on which we are being sent by authority and vote of the Southern Governors' Conference.

This is a time for national sanity as well as national patriotism. It is time for elements in both of our political parties to stop trying to squeeze the most political advantages from the bitter fruit of the 1954 Supreme Court decision.

ON THE SO-CALLED "LEGISLATIVE LIQUOR SCANDAL"

[Fred Kelly, a distilleries representative, had been fined for delivering whisky to the Sir Walter Hotel in Raleigh for free distribution to members of the General Assembly, and Frank Sims, a former lobbyist, had been convicted of using a false name to secure a hotel room in which the free liquor was stored. Robert L. Thompson, a Raleigh public relations man, had sent a lengthy memorandum to Governor Hodges charging that Kelly and Sims were being persecuted by men in high places who were "guilty of 'mooching free liquor' for personal and political use" and who had all joined together "to crucify these two men and save their own political skins." Among the charges made by Thompson were (1) that the fact that there was no Scotch whisky available at the last Jefferson-Jackson Day Dinner because there were no Scotch samples sent into the free liquor pool was discussed in the Governor's presence at a party preceding the dinner; (2) that Thomas W. Allen, the chairman of the State ABC Board, had accepted trips to New York at the expense of the liquor industry and had conceled plans for a similar trip to California when told by the Governor that such an arrangement would be improper; and (3) that "scores of state officials from the Governor on down . . . are beholden to Frank Sims and Fred Kelly for protecting their names." The Governor released Thompson's memorandum to the press on October 29, 1957, and replied to its charges on that date and again on October 31.]

October 29, 1957

On my return to Raleigh this afternoon, I found in the mail a memorandum from Robert L. Thompson of Raleigh, concerning certain alleged activities in connection with the use of liquor in the state. This memorandum is addressed to "Governor Hodges, various state and local officials, and others who may be concerned and/or interested."

I have no personal knowledge of many of the charges set forth in this memorandum. In the past few months, I have heard indirectly several rumors and insinuations which I could not substantiate or prove. As I have said repeatedly, and at the Eastern North Carolina Press Association as recently as Friday, October 25, if anyone in the state has any evidence about the misuse of liquor, he should bring it out fully and publicly and not leave the matter to rumor.

I would again reiterate as strongly as I can that if Mr. Thompson or any other citizen has any evidence of the violation of state laws or regulations, he should make the charges before the ABC Board or the proper court.

I would like to comment on the three paragraphs in the memorandum in which Mr. Thompson mentioned my name.

With reference to the matter of Scotch whisky in the seventh paragraph, I have no knowledge of any such incident.

With reference to the statement in the tenth paragraph concerning a trip to California by the chairman of the ABC Board with expenses paid by distillers, I did tell Mr. Allen that I thought such an arrangement would be improper.

With reference to the thirteenth paragraph and the suggestion that I am "beholden to Frank Sims and Fred Kelly," I want to make it clear that I do not want nor have I ever wanted "protection" from anyone. In fact, I have consistently urged that all charges and facts be made public.

I again repeat that, in the public interest, any information whatsoever that is true and pertinent ought to be fully disclosed.

October 31, 1957

As I said in my statement on Monday, I believe that Mr. Thompson or any other citizen should make public all pertinent and true facts concerning the possible misuse of liquor in connection with governmental or political activities. If there are facts which the people should know, let's lay every detail on the table of public opinion for all to see and examine. I am sure that all North Carolinians join with Mr. Thompson in an earnest desire for a state, nation, and world free of hypocrisy and cowardice.

While we seek the unvarnished truth in the alleged misconduct outlined in Mr. Thompson's memorandum, it should be remembered that our state government, our legislature, and our Democratic party have a solid, honest record of achievement and service to North Carolina for more than a half century. The vast majority of our state officials, members of the House and Senate, and members of the Democratic party are able, conscientious, and law-abiding citizens.

I seek to hide no wrong-doer by this statement but should like to point out that if Mr. Thompson's charges can be proved, the poor judgment or lack of principles on the part of a very few people should not be allowed to cast a shadow of doubt over the faithful, loyal, and efficient service of many honorable people who serve their state through governmental or political activity.

ON THE NEW STATE PORTS AUTHORITY

November 12, 1957

[Governor Hodges was dissatisfied with what he considered to be a low state of morale in the State Ports Authority, with what appeared to be a poor job of handling the Authority's public relations, and with conflict over the rival claims of Wilmington and Morehead City. As a consequence, he made a clean sweep of the Authority when the terms of its members expired in 1957 and appointed an entirely new group whose swearing in was the occasion of this statement.]

We have just witnessed the administration of the oath of office to a new State Ports Authority. As I have said earlier, I am very pleased that these seven men are willing to accept the great responsibilities invested in this new assignment. In general, the reaction throughout the state of the appointment of these men has been excellent.

Our State Ports Authority was created by an Act of the North Carolina General Assembly in 1945, but did not really get into operation until 1952. It now represents an $8,000,000 investment which haandles 700,000 tons of cargo annually. When the current expansion programs are completed, North Carolina will have invested over $11,000,000 in our two ocean terminals at Wilmington and Morehead City.

Our State Ports Authority was created through the efforts of many outstanding people who believed in the future of these two ports and in the future of North Carolina as an agricultural, industrial, and business leader in the Southeast. The progress and growth which these ports have made, in spite of many handicaps, reflect credit on all who have made this possible. I have always been interested in the work of the State Ports Authority and firmly believe that it can make a great and lasting contribution in the economic progress of our state.

How can we make this goal come true? I would like, in all sincerity, to suggest the following:

1. We need constructive, objective and far-sighted leadership on the part of the State Ports Authority.
2. We need a better understanding of the goals and objectives of our port operations. This means telling our people the ports story and what these ports can mean to all of us.
3. We need the support of each port city in the operations of its own state port, and also in the total port program. I believe we have the type of leadership in both cities who can rise above partisanship and work together for the good of North Carolina.
4. We need the business of those in North Carolina, both private and governmental, who import or export. Our ports were constructed first to serve our people and to furnish efficient outlets to the world through deep water at our Atlantic doorstep.
5. To merit the business of North Carolina shippers, as well as shippers across the world, we need a port program modern and up to date in every detail which can compete with comparable ports anywhere.

I am confident that our new State Ports Authority will be able to meet the challenge ahead. I believe that they can count upon the support of all our people in carrying out an outstanding ports program. Only today, I received a large delegation of men from Wilmington who pledged their support to the new Ports Authority and indicated they would work closely with the Authority.

COMMENDING THE 1957 CHRISTMAS SEAL CAMPAIGN

November 15, 1957

The achievements of the historic voluntary fight against tuberculosis, supported by Christmas Seals, are a matter of record. They are reflected in the tuberculosis control facilities available to our people today. Because of them, thousands of lives have been saved. Untold thousands of others have been spared a personal fight with the disease.

While this record is commendable, I wish to bring to the attention of the people of North Carolina that the goal long sought has not yet been reached. Tuberculosis has not been completely eliminated as a threat to health and happiness. The 1,850 North Carolina citizens who found out they had the disease in 1956 could tell you better than I. However, I wish to assure everyone—the sick, those who will become sick, and those who will be spared—that there will be no letup in efforts to bring about the complete defeat of tuberculosis.

The campaign against tuberculosis has been successful in the past because of the generous support given through the project of Christmas Seals by the people of our state. I hope very much that this support will continue this year as the 1957 Christmas Seal Campaign opens. If we continue our support and our interest, I feel sure that the record at the end of 1957-58 will show further achievements toward the day when tuberculosis will no longer be a threat to the health and happiness of our people.

STATEMENT ON PRESIDENT EISENHOWER'S ILLNESS

November 26, 1957

Like all North Carolinians, I am deeply concerned with the news of the President's illness. I hope very much that his illness is not serious, and wish for him a complete and rapid recovery.

ON THE DEATH OF BRANDON P. HODGES

December 5, 1957

I was shocked and saddened to learn of the unexpected passing of Brandon P. Hodges. He was a close friend and associate whose judgment and experience I valued most highly. Mrs. Hodges and I have expressed our deepest sympathy to Mrs. Brandon Hodges and the family.

Brandon Hodges was a distinguished citizen with a great record of public service which began in 1927 when he became judge pro-tem of the Asheville Police Court. His ability, intelligence, sincerity, and leadership quickly established him as a prominent figure worthy of positions of public trust. He was elected a state senator in the General Assembly of 1943 and 1945. He served as chairman of the Senate Committee on Appropriations in 1945 and a member of the Advisory Budget Commission in 1945-46. Governor R. Gregg Cherry selected him to be his executive counsel in the 1947 General Assembly.

He was elected state treasurer in the general election in November, 1948, re-elected in November, 1952, and served with great distinction. He resigned in July, 1953, to enter private employment with Champion Paper and Fibre Company.

Despite his retirement from public office, his services were very much in demand in public affairs, and in July, 1955, I appointed him as chairman of the first State Tax Study Commission. Brandon Hodges directed the work of this important commission which resulted in the first major revisions of our state tax laws in several decades. Without his leadership, his vision, and his keen understanding of all the problems involved, North Carolina would not have taken this step forward. Several months ago it was my pleasure to appoint Brandon Hodges as chairman of the State Tax Commission authorized by the 1957 General Assembly.

His devotion to public service and to North Carolina was an inspiration to all of us.

STATEMENT FOR *SALESMAN'S OPPORTUNITY MAGAZINE*

December 9, 1957

Despite the drop in personal income and other economic warning flags which have been flying, I believe that 1958 will offer another good year for those in business, industry, agriculture, merchandising, and other activities who are willing to meet the problems of the new year with new ideas, new vigor, and confidence in themselves.

North Carolina has always been a predominantly agricultural state and depends heavily upon such a major cash crop as tobacco.

Reduced acreages, a short crop, and other circumstances have brought about a substantial drop in income for North Carolina and especially the eastern half of our state. Yet we are hopeful that our economic activity in the state will help balance off this tremendous loss and keep our state moving forward.

We need and must have properly trained sales people to merchandise the vast array of products available to the American public. Having served as a managing head in charge of all textile manufacturing and sales for The Marshall Field Company, I know the value as well as the importance of the right kind of selling. We all recognize that we must sell what we produce in order to prosper. This is no easy job in the highly competitive age in which we live.

At the same time, there are always opportunities and rewards for those salesmen with that extra energy, initiative, imagination, and persistence. This is true whether they work in North Carolina or elsewhere in the United States.

Through the medium of *Salesman's Opportunity Magazine,* I proudly salute the sales people of North Carolina and America and wish for all of us continued prosperity in 1958.

STATEMENT CONCERNING THE PRINTING OF THE TAX STUDY ENTITLED *THE IMPACT OF STATE AND LOCAL TAXES ON NORTH CAROLINA AND THE SOUTHEASTERN STATES*

December 16, 1957

[Leslie E. Carbert had prepared a lengthy report which supplied some of the arguments in support of the corporation tax cut enacted by the 1957 General Assembly. The legislators had been given only a sixty-three page summary, whereas the full report was not published until after the General Assembly had adjourned. Certain newspapers made the charge that printing of the full report was delayed because of its containing arguments that might have been used against the new allocation formula adopted by the General Assembly. On December 16, 1957, the Governor released to the press a series of letters from the printing company, the Division of Purchase and Contract, and from Carbert, together with the following statement denying the charges that the report was held up in order that certain portions, allegedly damaging to the administration's tax proposals, would not be available to the General Assembly.]

Recently, questions have been raised concerning the printing of the 505-page volume prepared by Leslie E. Carbert, entitled *The Impact of State and Local Taxes on North Carolina and the Southeastern States.*

The first copies of this volume were shipped from the Winston Printing Company of Winston-Salem on June 26, 1957.

A recent editorial in the Raleigh *News and Observer* makes essentially these two implications about the fact that printing of the full tax study was completed after the 1957 General Assembly adjourned:

(1) It is implied that the Tax Study Commission or the Governor or both deliberately caused the delay in the printing of this report so that certain portions, allegedly damaging to the administration's tax proposals, would not be available to the General Assembly.

(2) It is implied that the 505-page volume, as finally published, does in fact contain important points critical of the Tax Study Commission's recommendations, and is in net result in conflict with the printed "summary" (also prepared by Carbert) which was made available to members of the General Assembly.

These implications are unjustifiable aspersions against the full membership of the Tax Study Commission. This commission was composed of the following distinguished citizens who unanimously recommended the tax changes adopted by the General Assembly:

Brandon P. Hodges, former state treasurer and businessman of Asheville.
R. Grady Rankin, former state senator and businessman of Gastonia.
J. Y. Jordan, member of the General Assembly and attorney of Asheville.
Howard Holderness, insurance executive of Greensboro.
E. M. O'Herron, Jr., businessman and legislator of Mecklenburg County.
W. P. Kemp, legislator and businessman of Wayne County.
Frank A. Daniels, part owner and general manager of the *News and Observer,* Raleigh.
C. Gordon Maddrey, legislator and prominent farmer of Ahoskie.
James M. Poyner, legislator and attorney of Raleigh.

As to the implication there was a deliberate delay on the part of the Tax Study Commission or myself in printing the report, the attached documents tell the story: Mr. McLeod of Winston Printing Company states in his letter of December 10, 1957, that, "No one, state officials or others, intimated that delivery of the report should be held up. The late delivery was due to the difficult copy and the slow speed required for setting mathematical formulas and checking same for accuracy."

In fact, as demonstrated by the letter of Mr. Graham Fulghum of the North Carolina Division of Purchase and Contract, dated April 5, and letter of Mr. Stansbury, dated April 10, express efforts were made in April, 1957, by *state personnel* to expedite the printing job.

As to the implication that important facts are contained in the full tax study (and not in the printed summary prepared for the legislature) in opposition to the recommendations of the Tax Study Commission, such is demonstrably false.

Carbert's full report supports, as does his printed summary, the corporate tax changes recommended by the Tax Study Commission and adopted by the General Assembly.

Both the printed summary and the complete 505-page volume should be read carefully *before* it is asserted that the full study contradicts the printed summary or does not support the Tax Study Commission's recommendations.

When, in the fall of 1956, it became apparent that a 500-page volume could not be printed in time to distribute to the General Assembly of 1957, the chairman of the Tax Study Commission asked Mr. Carbert to prepare a summary. This was done. On page v of this summary, Carbert has a list of the "major conclusions contained in the printed summary." These are set forth on the mimeographed attachment.

On page xxi of the full report, Carbert lists his "major conclusions" contained in the *full* report. These are set forth on the mimeographed attachment.

Assuming that Mr. Carbert correctly stated his own conclusions, these two lists might be compared before jumping to the conclusion that the printed summary supports one side of the tax question, with the 505-page volume supporting the other. Of course, it would be better to read the complete text of both volumes, but I don't have much hope that many of those who are, and have been, most vocal in their opposition to the Tax Study Commission's recommendations will take the time to do that.

I know there are different views as to what our tax laws should be. These differences were thoroughly aired and discussed during the 1957 legislative session. I have never expected we should be unanimous in our opinions.

I do regret, however, the recent efforts made to question the integrity and honesty of the Tax Study Commission and those of us who supported their recommendations.

A NEW YEAR'S MESSAGE FOR STATION WFMY-TV, GREENSBORO

December 31, 1957

Good evening, ladies and gentlemen. I hope each one of you has had a most joyous Christmas season and that you look forward to the new year with anticipation of even better things to come.

We in North Carolina can find much to be thankful for during 1957. As American citizens, we still possess our basic freedom and opportunities despite the critical threat of world domination by totalitarian forces.

The year 1958 holds great challenges for our nation, our state, and for us as individual citizens. There are great problems to overcome and this will require the constructive and unselfish service of many people. I am confident that we as a people have the ability and the courage to meet the problems of 1958.

On January 7 at 9:00 P.M., I will make a state-wide telecast and broadcast looking ahead at 1958 in state government. This will be a further effort to keep you, the citizens of our state, informed on the progress and problems of your state government. I hope you can join me on January 7. Station WFMY-TV will be one of the networks of TV and radio stations carrying these remarks.

May I say here that Station WFMY-TV is typical of the many excellent television stations which we have in North Carolina. Television offers a great opportunity for public service, and I commend these stations for the work they have been doing in this field during 1957.

In closing, I want to express my appreciation for the wonderful help and assistance which I have received as governor from so many people during the past year. I also want to thank each of you for the contributions you are making to the life and progress of your community, state, and nation.

Mrs. Hodges and I wish for every person in North Carolina a new year filled with health, happiness, and prosperity.

ON THE DECISION OF THE ARMY CORPS OF ENGINEERS TO CLOSE LONG BEACH INLET

January 3, 1958

We in North Carolina are delighted with this decision by the Federal Civil Defense Administration and the Army Corps of Engineers to move ahead with the actual closure of the Long Beach Inlet. This decision came as the result of a determined effort on the part of the state of North Carolina to convince the appropriate federal agencies that this major hurricane damage should qualify for federal funds.

The opening of this inlet was a tremendous blow to Brunswick County and southeast North Carolina. It has meant a tremendous loss in revenue to the county and to individual property owners in this beach community. The closure of this inlet will permit the State Highway Commission to replace its highway and provide vehicular traffic to the south end of Long Beach Island which has been cut off since October, 1954.

EDITORIAL FOR USE IN *MAYOR AND MANAGER* MAGAZINE

January 3, 1958

Mayors and city managers have at least one thing very much in common with state governors. As community leaders, they must concern themselves with more than routine governmental problems. They must always keep in mind the broad public welfare of their communities and relate governmental decisions to the public welfare. They must also recognize the importance of many seemingly minor details which contribute to a better life for the community.

One of the major problems in North Carolina is low per capita income and the need for increased economic opportunity for many of our citizens. To cope with this problem, I have devoted a great deal of time and effort to promoting all forms of economic activity, such as industrial development, agricultural diversification, processing plants, forestry, better marketing of seafoods, etc. I have tried to encourage any major enterprise which would provide jobs for North Carolinians and enable our people to earn good wages and live comfortable and satisfying lives. This is not governmental regulation, but governmental encouragement of free enterprise and the stimulation of business, industry, agriculture, etc., as a means of developing and building a stronger, more prosperous state.

Similarly, you have responsibilities for the future of your communities. Your primary responsibilities lie, of course, in the area of public services such as police and fire protection, streets, water and sewer systems, public education, and public health and welfare. You must see that your city provides adequate and sound public services. But you must look beyond the services themselves and ask other questions.

Is my city an attractive, desirable place in which to live? If not, what can the city government do to make it attractive, now and for the future?

Are there good opportunities for economic development in my city? If not, what can the city government do to encourage economic development? Are desirable industrial sites properly served with necessary utilities in the city? Are there highways and streets that will move traffic smoothly to and from industrial locations, residential areas, and the central business districts? Does my city really appreciate the value of beautification through planting of shrubs and grass, anti-litterbug campaigns, neighborhood improvement programs, etc.?

Mayors and city managers must always anticipate the prospects for the future. What can city government do to anticipate the problems of the future? Do we have an adequate water supply? Sewage disposal capacity? Major thoroughfares? Do we provide the type of efficient, effective administration of government which the citizens deserve and should have? Do we have an effective planning program?

It is clear that you have the responsibility to do more than merely provide routine governmental services. I believe that you should encourage economic development through helping to make your local governmental services and your community attractive to all types of worthwhile economic activities. To do this you must also see that your programs in the fields of public education, public health, recreation, and public welfare meet substantial community needs.

A prosperous and happy community can be the result of genuinely cooperative community action. You, as mayors and managers, have the opportunity and responsibility to furnish the leadership which can see that local government does its part.

STATEMENT FOR *SPORTS ILLUSTRATED*

January 6, 1958

All my life I have loved outdoor sports, especially hunting and fishing. It is a wonderful and relaxing experience to wade a clear trout stream or follow a well-trained bird dog toward a covey of quail.

Fishing is perhaps my first love because it offers such a variety of sport during almost every season of the year. We are fortunate in North Carolina to have about the widest fishing variety imaginable—all the way from trout in the Great Smokies to blue marlin in the Gulf Stream. There just isn't a greater thrill than landing a big rainbow trout with a fly rod. Surf casting on our windswept Outer Banks for channel bass is another invigorating experience for me.

As a governor deeply interested in industrial development, I know that the great variety of outdoor sports offered by North Carolina is a great attraction to industrial prospects from all over America. Good hunting and fishing should be viewed as a tangible asset to any state in industrial development, economic progress, and better living for all.

Sports Illustrated provides an exciting view of the fascinating sports world and is a favorite magazine around our house. Its coverage of fishing reminds me of the truth of that ancient proverb: "Allah does not detract from the alloted span of man the time he spends at fishing."

STATEMENT FOR USE IN SPECIAL EDITION OF *AMERICAN VOCATIONAL JOURNAL*

January 17, 1958

North Carolina is a remarkable state, rich in history and accomplishments, and yet still uncrowded, with plenty of elbow room for future expansion. It is isolated, more or less, from the congested industrial centers of our nation, and yet has ready accessibility to the greatest markets in America.

We have the largest farm population in the United States. Almost one-third of our people live in the country and make their living there; one-third live in the country, but work primarily in urban industry or business; and the other third live and work in urban areas. This is an interesting and enjoyable balance of population distribution which has many advantages.

North Carolina is widely known for its sound and progressive government which has served our citizens well during the past half century. Through strong executive leadership and outstanding patriotic, devoted service of the membership of our General Assembly during the years, our state government has kept step with the times and with the needs of the people. We have been described as a conservative-progressive state operating squarely in the middle of the fiscal road. A balanced budget is, of course, the cornerstone of our fiscal policy.

Since the turn of the century, we have not hesitated to invest in schools, roads, port terminals, health centers, hospitals, and in institutions of higher learning. We have not forgotten the unfortunate and handicapped in all the rush of material progress. In short, we sincerely believe that we have human, as well as material assets which are entirely worthy of conservation and development.

North Carolina believes in public education and supports a statewide system of public schools with an enrollment of more than 1,000,000 children and 37,000 teachers and other professional personnel. State appropriations for the operation of these schools amount to more than $160,000,000 a year. Last year more than 2,000 new classrooms were constructed in seventy-eight of our 100 counties.

Vocational education plays an important part in the development of skilled workers for agriculture, industry, distribution, and in the education of future homemakers. Annually around 120,000 persons are enrolled in our vocational education courses. Growing interest in industrial development has led to the establishment of new industrial training centers to meet the needs for practical training in industrial skills.

There is a great future for North Carolina and its people. We now lead the nation in the manufacture of textiles, tobacco products, household furniture, and in the production of flue-cured tobacco. Our economy is expanding and diversifying at a rapid rate.

You will always find a warm welcome in progressive North Carolina.

ARTICLE FOR SPECIAL EDITION OF THE *CHARLOTTE OBSERVER* ON THE TEXTILE INDUSTRY

January 21, 1958

I am pleased to share in this special tribute to the textile industry of North Carolina. The *Charlotte Observer* is to be commended for its efforts in behalf of the textile industry and all other promotion of the economic development of our state. The *Observer* is widely read—especially among business and industrial leaders.

As a man who spent over thirty years of his life in the textile industry in the state, I know from first-hand experience of the basic nature of the industry and its importance to the economy of North Carolina and the nation. For example, in our state, textiles provide employment for some 230,000 persons with an annual payroll of approximately $900,000,000. Or, to put it another way, textiles provide employment for 52 per cent of all manufacturing employees and 40 per cent of all manufactured output.

From the ruins of the Reconstruction days, textiles generally led the march toward industrialization in our state. By 1870, we had thirty-three cotton mills in North Carolina, and by 1900 the number had grown to 177 mills producing goods valued at $28,000,000. Today in North Carolina we have some 1,200 textile plants making textile products with an annual value of $2,592,000,000. There are more than 6,000,000 spindles in place.

It is encouraging to note the continued growth of our textile industry. During the past year, announcements were made on the location of twenty-two new textile plants in our state. Expansions at more than twenty-five existing plants were announced with a total of more than $14,000,000 being used for expansion, modernization, and new machinery.

We are grateful for the leadership which the textile industry has shown in so many different fields—production, merchandising, productivity, safety, good industrial housekeeping, etc. These accomplishments have reflected credit on North Carolina and have helped our state become an industrial and business leader in the Southeast.

Here in North Carolina we need more technically trained workers to meet the needs and demands of a modern, technological era. Many of our textile plants have provided valuable training in basic skills for their employees. All of this results in a better supply of productive industrial employees who are capable of earning a better living for themselves and their families.

So we see that the textile industry is truly woven into the life of North Carolina. We expect it to remain a solid and productive part of our economy and look ahead hopefully to a better year in textiles during 1958.

COMMENT ON A REPORT THAT MRS. HODGES HAD ONCE REGISTERED AS A REPUBLICAN IN NEW YORK

January 28, 1958

Some weeks ago I heard a rumor that an unidentified political opponent was trying to "dig up some dirt" on me, with particular reference to my past record as a Democrat. I gave little thought to the rumor because I knew that my life-long record in the ranks of the Democratic party, including the seven years in New York, is clear.

Now it appears that some person has traveled all the way up to Westchester County, New York, where my family and I lived fifteen years ago while I was in the textile business for mills in North Carolina, to see what could be "dug up" that might embarrass me.

Mrs. Hodges' statement on the question of registration speaks for itself. In my opinion, this effort to discredit me as a Democrat by attacking my wife is sickening. While a man in public office must accept comment and criticism of all kinds, this attack is a new low in my experience.

Martha Hodges and I have been happily married for thirty-five years, and she has been an inspiration to me in everything that I have tried to do. I know that she is a good Democrat, and has helped me very much in all my Democratic party activities.

We are both looking forward to participating in a great Jefferson-Jackson Day Dinner on Saturday.

STATEMENT BY MRS. LUTHER H. HODGES

The report that I had registered as a Republican in Yonkers (Bronxville), New York fifteen years ago came as "news" to me. I remember nothing whatever about it. It is possible that the registration officials (without my being aware of it) technically registered me as a Republican in this predominantly Republican community.

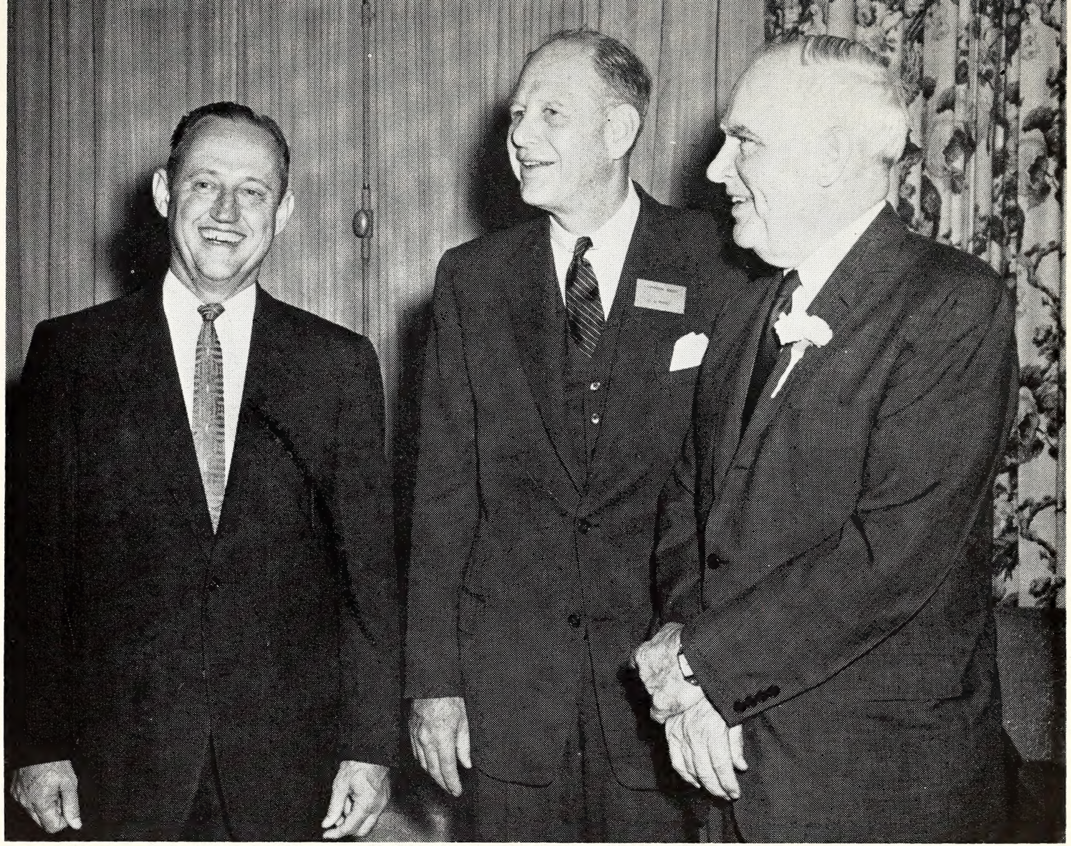
I understand from the newspaper that the word "Republican" has been put on the record by a rubber stamp.

I am a Democrat and have voted Democratic in every election.

ON THE ADVANTAGE OF TAKING INJECTIONS OF POLIO VACCINE

January 29, 1958

The State Health Director, Dr. J. W. R. Norton, has called to my attention that there is still time for individuals to receive two injections of polio vaccine before the beginning of our usual poliomyelitis season in early May. While it is already too late this



Charles E. Hartford *(left)*, vice-president of the Riegel Paper Corporation, and John L. Riegel *(center)*, chairman of the Board, with Governor Hodges at the dedication of the Corporation's "Carolina Belle" plant at Acme, October 8, 1958.

News and Observer Photo

Left to right: David Whichard, Governor Hodges, Ashley Futrell, and Jake Strother at an eastern North Carolina news conference in Greenville, October 17, 1958.

year to permit inoculation of the complete series of three shots to an individual before May, two injections will still provide a considerable amount of protection, according to Dr. Norton.

I am deeply concerned to find that only 41 per cent of eligible individuals have received full protection under the federal poliomyelitis vaccine program now available in North Carolina. The life-saving vaccine obtained under the federal program is available to all persons under twenty years of age and to pregnant women.

Physicians are permitted to administer privately purchased vaccine without age limitation, and all persons under forty years of age are urged to obtain this protection. Even though the younger age groups are more likely to get poliomyelitis, the chances for more severe paralysis seem to occur in the older age groups.

It is encouraging to note that only fifty-one cases of paralytic poliomyelitis were reported in North Carolina in 1957; in 1956, paralytic cases numbered 162. For the five-year period of 1952-1956, paralytic cases averaged 233. So we have experienced a 68 per cent reduction from 1957 to 1956, and the comparison of 1957 to the pervious five years shows a reduction of 78 per cent.

The onslaught of polio is always a tragedy in suffering, economic difficulties, family disruption, and often death. It is even more tragic today for any individual in North Carolina to be stricken by polio when there is now available a vaccine which offers such a high degree of protection against the disease.

It is my hope that every family in North Carolina will take advantage of this protection through the local health department or their family physician. I urge that local civic organizations lend their influence and assistance in working with county health officers to alert everyone to the need for protection, especially in view of the oncoming polio season.

Let's all join together in a campaign to eradicate paralytic poliomyelitis from North Carolina for all time.

STATEMENT CONDEMNING THE KU KLUX KLAN

January 30, 1958

[Earlier in January a much advertised Ku Klux Klan rally at Maxton in Robeson County had been broken up by the concerted action of a large group of Lumbee Indians who were incensed by recent cross burnings reportedly directed against their race. There were rumors that members of the Klan, many of whom had apparently come over from across the line in South Carolina, were planning to assemble again in North Carolina at some time in the future. The Governor took notice of these rumors and issued the following statement sharply condemning the Klan and its activities.]

The recent incident in Maxton involving citizens of Robeson County and a small group of outsiders claiming to be members of the Ku Klux Klan is of serious concern to the thoughtful citizens of North Carolina who are determined as I am that we shall maintain law and order.

It is of concern because we know that several people could easily have been killed or seriously injured on that occasion.

It is of concern because such an incident is an assault on peace and good order, and a slur on the name of our state.

It is of concern because of the possible stimulus to other and more serious future incidents.

In the last few days there have been intimations and threats to the effect that the Klan will at some future date assemble an armed gathering in Robeson County or at other places and put on a big show of force to further intimidate the people of this state. There have been threats that bands of armed men from out of the state will come into North Carolina.

I want my position to be clearly understood.

The responsibility for the Maxton incident rests squarely on the irresponsible and misguided men who call themselves leaders of the Ku Klux Klan.

The Ku Klux Klan and its leaders who rant against Communism actually give aid and comfort to Communist Russia. The Klan is responsible for provoking incidents that are exploited in propoganda by Russia and other Communist nations.

I believe that all people have the right to express their views and try to persuade others, in a peaceful manner, to agree with them. However, no one and no group has the right to impose his views on others by intimidation, by night-riding excurisons, cross-burnings and other overt acts designed to intimidate individual citizens.

The Ku Klux Klan has shown itself to be an organization of violence and intimidation. The consequences of its usual activities are the unlawful oppression of individual citizens, or else the arousement, incitement, and provocation of groups of citizens which lead to public disorder.

Let me say:

(1) To the alleged leaders of the Ku Klux Klan—Your message of hate and violence is a mockery to the religion you often profess. Not many years ago, there were other misguided men who were in your position of alleged Klan leadership. They violated the laws of North Carolina. They were tried and convicted in our courts of law by juries composed of citizens of this state. They were sent to prison. I hope that such events will not have to be repeated.

(2) To those few citizens who may be beguiled and misled into joining or giving aid or comfort to the Klan—Our basic freedoms and liberties that all citizens cherish can only be maintained and protected under a system of law and order. No group can be permitted, on whatever pretext or cause, to gather in armed bands, ride about in the night time for the purpose of threatening other citizens with violence, and on occasion committing acts of violence. No group can be allowed, under our system of law and order, to act in such a way as to incite other citizens to riot or disorder. I ask that you beware of false and fraudulent leadership. Some of the so-called leaders in the Klan who have assumed imposing titles have turned out to be religious imposters with criminal records. Many of these individuals, we are convinced, are interested only in what money thay can extort from gullible citizens or the publicity they can gain for themselves for a time. When you associate yourselves with such men, you not only associate yourselves against law and order, but against the overwhelming numbers of your neighbors and fellow citizens who are law abiding, who do not want or need an organization whose creed spawns hate and violence.

(3) To those citizens who have no sympathy for the Klan or deplore what it is and what it does—Do not help the Klan by

crowding to their meetings out of curiosity to see what might happen. Do not allow them to provoke you to attempt group action against the Klansmen. To do these things is to do exactly what the Klan leaders desire.

I recognize the great obligation that newspapers, radio and television stations, and other news media have to report the news whether it is good or bad. However, we all know that an over-zealousness in "finding" news can sometimes result in the unfortunate "making" of news. There is some evidence in the Maxton incident that the Klan leaders had decided not to go ahead with that meeting, but changed their minds when they were encouraged by the publicity they were getting before the meeting and saw the potential notoriety they would gain if the meeting was held. It is significant that, according to estimates, scores of news representatives were on the scene the night of the Maxton incident.

I am confident that our news media will continue to be aware of the danger of unwittingly contributing to incidents by providing what amounts to promotional publicity of Klan meetings. Of course, we need to throw the full light of public disclosure on all those individuals who take an active part in Klan matters. Identification of names, addresses, and past records of such individuals is a salutary thing and in the public interest.

Our sheriffs, chiefs of police, and all local law-enforcement officers have the immediate and primary responsibility for maintaining law and order in their respective communities. They do a good job. I want each of them to know that I, with all other state officials and agencies, stand ready to assist them at any time such assistance is needed.

We will maintain law and order in North Carolina.

ON PRESIDENT EISENHOWER'S PROPOSED FARM PROGRAM

WESTERN UNION TELEGRAM

February 5, 1958

Honorable Dwight D. Eisenhower
President of the United States
White House
Washington, D. C.

Dear Mr. President:

We in North Carolina have read with genuine alarm your proposed farm program which apparently would ask our farmers to make the first sacrifices required by the 1959 federal "Space Budget." Your recommendation that Congress authorize that price supports could be reduced as low as 60 per cent of parity came as a real shock to our farm people who depend so much on the price support programs for the inadequate farm income they are now receiving. In tobacco it would be disastrous.

As you know, under your program the Secretary of Agriculture could set support prices without any regard to present "escalator clauses" that normally force supports up as surpluses shrink.

While I am fully aware of the many problems involved in preparing a federal budget, I do not believe that our hard-working farmers of North Carolina and the nation, who now are too low in the economic scale, should be asked to make the first sacrifices in our entire national economy. I shall not burden you with statistics, but in the last four years farm prices have dropped, farm costs have risen, and net farm income has decreased substantially.

North Carolina is more dependent on the national price support programs than any other state. Sixty-six per cent of our farm income is derived from the six price-supported basic commodities. Many of our other farm commodities are indirectly affected by price supports.

May I also point out that North Carolina is the largest producer of tobacco, and that this is the only federal farm program where the growers have adjusted their production to meet as best they could supply and demand. Our tobacco producers have repeatedly and readily made the sacrifices necessary to keep the tobacco program operating successfully. To reduce price supports on tobacco as low as 60 per cent of parity would be disastrous to our thousands of small tobacco producers. This is a crop which requires an unusually large amount of hand labor, and cannot be compared with the production of wheat, corn, and other crops where mechanization has reduced production costs substantially.

In all good faith, I should like to request that you review carefully your farm program to make certain that you do not hurt the people in North Carolina and America who need help most—our farm people and especially our small farmers and their family farms.

Sincerely,
Luther H. Hodges
Governor of North Carolina

DESIGNATING LAFAYETTE ESCADRILLE DAY IN NORTH CAROLINA

February 17, 1958

North Carolina will honor the memory of four young men killed in combat while serving in the famed French flying squadron of American aces—The Lafayette Escadrille—during World War I by observing Lafayette Escadrille Day on Friday, February 28.

On this day Warner Brothers Studios' new picture, "Lafayette Escadrille," will have its world premiere in Washington, North Carolina, home of one of these aces, James Henry Baugham. Funds from this showing will be used to begin a campaign for a new youth center in Washington.

The purpose of this Day will be to give recognition to the gallant service of Baugham who, until now, has had little public notice for his great contributions to the defense of this nation and to the progress of aviation. Baugham was the brother of Patty Baugham of Washington, now Mrs. Harry McMullan.

Baugham was the youngest of all the pilots in the Escadrille, enlisting in July, 1917, when he was only seventeen years old. He shot down four enemy planes and won the Croix de Guerre and the Médaille Militaire before being killed in combat in July, 1918. Baugham's skill and technical brilliance made such a lasting impression on his colleagues that he was awarded posthumously the Harmon Aviation Trophy in 1921, one of the nation's highest aviation awards.

The three other flying aces were Arthur Bluthenthal of Wilmington, James R. McConnell of Carthage, and Kiffin Yates Rockwell of Asheville.

In recognition of the Lafayette Escadrille and the brave young North Carolinians who served in its ranks during World War I, I am pleased to designate Friday, February 28, 1958, as Lafayette Escadrille Day in North Carolina, and call it to the attention of all our people.

STATEMENT OF PURPOSES OF THE GOVERNOR'S FARM ADVISORY COMMITTEE

February 18, 1958

North Carolina can well be proud of its agricultural past and particularly of the amazing progress its farmers have made in the last ten years. Our state has been blessed with excellent agricultural leadership, and it has a wealth of sound agencies, organizations, and area and community development groups to enable it to meet any challenges that might arise.

For many years North Carolina has counted on one crop—tobacco—to provide over half of its cash farm income. Changing demands for tobacco and resultant sharp decreases in tobacco acreages in recent years have made it imperative that Tar Heel farmers find new sources of income. Fortunately, our people have made much progress in developing livestock and poultry as important sources of farm income, and today they are seeking to capitalize on a growing market for food produced and processed within the state.

It is by helping sustain the income from our cash crops, by implementing and hastening sound expansion of livestock, poultry and food processing, by encouraging proper conservation and use of all natural resources, by supporting a proper balance and growth of all segments of the North Carolina economy, and by aiding the Governor and other leaders in mobilizing the enthusiasm, initiative, and leadership of all the people for economic growth and self-improvement that this committee can perform a genuine service to North Carolina. More specific purposes of the committee are to advise the Governor in his efforts to:

1. Interpret the problems and opportunities in agriculture to all of the people.
2. Mobilize all local and area leadership and existing farm organizations and agencies behind a well-rounded program to increase farm prosperity and happiness.
3. Speed the movement of agricultural knowledge from laboratory and test plot into use on the land.
4. Urge farm people to grasp their opportunities, such as food supply, and to make full and effective use of the agencies set up to serve them.
5. Develop new sources of farm income and new employment opportunities through processing and marketing.
6. Help farmers match their production skill with marketing skill and add a new dimension—salesmanship—to the business of farming.
7. To present facts to all the people of North Carolina emphasizing that what benefits the state's agriculture, increases the prosperity of every man, woman, and child within the borders of the state.

Our farmers are now going through the worst winter in recent North Carolina history. But spring lies just ahead. George Washington and his soldiers went on from Valley Forge to victory. And our farmers can rise above the perversities of nature and achieve new prosperity. With fewer farmers from year to year and ever bigger markets for them to serve, there is a better day ahead in agriculture. With the full support of all its people, North Carolina can develop a richly rewarding way of life on the land and make its agriculture an ever stronger foundation for the prosperity of our state.

COMMENDING THE AMERICAN RED CROSS

March 4, 1958

It is a pleasure to accept this report of our American Red Cross activities in chapters throughout our state in behalf of the people of North Carolina. North Carolinians are very familiar with the splendid work of our Red Cross in years past, especially during the hurricanes which ravaged the Carolina coast in 1954 and 1955. As governor, I salute the thousands of North Carolinians who have again given volunteer service during 1957 under the banner of the Red Cross.

These volunteers served in many fields of Red Cross work in the 121 chapters in North Carolina. I am sure this report of Red Cross services in our state is a comprehensive one and will serve to emphasize once again the importance of the work Red Cross performs in this state. We are grateful for the splendid working relations between the Red Cross volunteers and chapter leaders with state and civil defense authorities on disaster operations and disaster preparedness planning.

The State Public Welfare Department, Department of Agriculture Extension Services, the Highway and Public Works Commission, State Public Health Department, State Industrial Commission, our colleges and universities, and many other departments have worked closely in the past with Red Cross activities and services.

The American Red Cross touches many of our daily lives here in North Carolina—the Red Cross Blood Program, the Junior Red Cross in our schools, Red Cross courses in swimming and lifesaving, home care of the sick and injured, to mention but a few. This great volunteer program helps make North Carolina a better, healthier, and happier state in which to live.

DESIGNATING JAYCEE HUB CAP PROJECT DAY

March 11, 1958

The North Carolina Junior Chamber of Commerce is now sponsoring a new project known as "Hub Cap, Hub Cap, Whose Got My Hub Cap," which is designed to prevent the theft of automobile hub caps and other car accessories. The project will promote a positive means of identification for hub caps and other automobile accessories which will enable law enforcement agencies to deal effectively with this serious law enforcement problem.

According to recent surveys, the theft of hub caps and automobile accessories runs into millions of dollars each year. However, more important than the dollars involved is the fact that the large majority of these thefts are committeed by teen-age boys and girls. Police records indicate that many young people have begun a life of crime by stealing automobile accessories.

This new program by the Jaycees has the endorsement of the North Carolina law enforcement officers, the State Motor Vehicle Department, and the State Bureau of Investigation. In North Carolina, the cities of Charlotte and Goldsboro have tested this program with excellent results. Wherever the program has been tried, automobile accessories thefts have declined from 75 per cent to 100 per cent.

In recognition of the value of this program as a means of preventing teen-age delinquency and in aiding law enforcement officers in identifying stolen automobile accessories, I hereby designate March 15, 1958, as Jaycee Hub Cap Project Day, and hope that the Jaycees will receive maximum cooperation.

ON THE DEATH OF JUDGE JOHN J. PARKER

March 17, 1958

Our state and our nation have suffered a great loss with the sudden passing of Judge John J. Parker. I feel a deep sense of personal loss.

It has been my privilege over the years to know him personally, to marvel at his fine analytical mind, and to be grateful for his warm and generous spirit. He was a distinguished son of the University of North Carolina, a devoted public servant, a great and good citizen, and one of the very great judges of the nation.

IN OPPOSITION TO LEVYING TOLLS ON THE BLUE RIDGE PARKWAY

(Statement made to Secretary of the Interior Fred A. Seaton)

March 19, 1958

Mr. Secretary, we deeply appreciate your courtesy in providing this opportunity to discuss with you the proposal to levy a toll or "entrance fee" on the Blue Ridge Parkway. We shall be as brief as possible and to the point.

The members of this group are here today as representatives of the people of North Carolina. I can assure you that this group reflects the genuine concern felt by all our people over this proposal. It is our considered opinion that the installation of tolls or fees on the Blue Ridge Parkway will result in serious damage to the Blue Ridge Parkway, the state of North Carolina, and the National Park Service.

I should like to point out:

1. The state of North Carolina has cooperated enthusiastically and actively in years past to help the National Park Service establish the Blue Ridge Parkway, the Great Smoky Mountains Park, the National Seashore Park, and other federally owned park areas. We were happy to share our great scenic beauty and recreational facilities with all the people of our nation. Today the state has spent about $3,000,000 in obtaining the rights-of-way for the parkway and expects to spend another $1,000,000 by the time the Parkway is completed.

2. Regardless what may or may not have been said in connection with the early development of the Parkway, it was certainly clearly understood among our state officials, Highway Department engineers, active Parkway supporters, and all our citizens who made available the necessary right-of-way that the Blue Ridge Parkway would be a free public highway. This was in keeping with long-established policy in North Carolina where there are no toll charges on any state or federal highway, bridges, ferries, or state parks. In addition, please consider the fact that the Blue Ridge Parkway has now been operating without tolls or fees for more than twenty years, and the imposition of tolls would be deeply resented.

3. May I emphasize that the Blue Ridge Parkway *is* different. We cannot agree that it should be treated under the same Interior Department policies of entrance fees like the larger and more unaccessible national parks of the West. The Blue Ridge Parkway is used today like a regular part of our state and federal highway system and serves many people as a regular thoroughfare in that part of western North Carolina. Tens of thousands of our working people use it regularly. One of the greatest attractions about the Parkway is the freedom and ease with which a motorist can drive up to the Parkway and move along it freely without hindrance or bother.

4. In view of these facts, and many others which will be given by members of this group, I firmly believe that the proposal to levy tolls on the Blue Ridge Parkway would not prove to be sound economics or sound administration because of the unique character of the Blue Ridge Parkway, its unusual location, and the extremely important transportation role it plays in our state and southeastern America. I further feel that the federal government would be breaking faith with our state and its people.

It is my hope that you will find that it is in the best interest of the National Park Service and in the best interest of our people that the Blue Ridge Parkway remain free from toll charges.

Thank you.

DESIGNATING CARL SANDBURG DAY IN NORTH CAROLINA

March 22, 1958

North Carolina is tremendously proud to have Carl Sandburg of Flat Rock as one of its most distinguished citizens. This great poet, biographer, historian, novelist, and storyteller has lived quietly with his wife in their mountain home for the past twelve years. He is now eighty years old and recognized universally as one of America's greatest men of letters.

It is a pleasure for me to join with a committee of North Carolinians in welcoming Carl Sandburg to Raleigh on Thursday, March 27, when he will visit the North Carolina State Museum of Art to see Edward Steichen's exhibit of "The Family of Man." Mr. Sandburg will be the guest of honor that day at a luncheon planned as a means of paying grateful tribute to this great man and his many contributions to our literature and life.

In recognition of this special event, I hereby designate Thursday, March 27, 1958, as Carl Sandburg Day in North Carolina, and call it to the attention of all our people.

ACCEPTING THE RESIGNATION OF ATTORNEY GENERAL GEORGE B. PATTON

March 25, 1958

Honorable George B. Patton
Attorney General of North Carolina
Raleigh, North Carolina

Dear Judge Patton:

This will acknowledge receipt of your letter tendering your resignation as attorney general, effective April 15.

It is with deep regret that I accept your resignation. At the same time, I can appreciate your desire to return to the Superior Court Bench. I remember quite well that you accepted the position of attorney general in 1956 out of a sense of loyalty and duty to your state.

You have served as North Carolina's attorney general with honor and distinction. You have given to the administration of that office a wisdom and understanding that those of us in state government, and indeed citizens throughout the state, will long remember. All of us deeply appreciate what you have done.

Please accept my personal thanks for the good service you have rendered North Carolina as attorney general and my very best wishes for your continued health and happiness.

Sincerely,
/s/ Luther H. Hodges

RECOGNIZING THE 1958 NORTH CAROLINA "DRIVER OF THE YEAR"

March 31, 1958

It is a pleasure to share in this recognition of the most outstanding professional truck driver for the year 1958. Someone has described the modern professional truck driver as a modern "Knight of the Road" who is well-mannered, well-behaved, and is recognized for his skill and ability in driving.

Today we recognize as the 1958 North Carolina "Driver of the Year" H. B. "Major" Fenner, who lives in Huntersville, North Carolina. He is a long-line, over-the-road, professional truck driver, employed by the Central Motor Lines, Inc. of Charlotte, North Carolina. He has an almost unbelievable record of 3,550,000 miles of safe driving in more than thirty-four years professional driving. "Major" Fenner has a regular run driving a transport tractor trailer hauling general freight commodities from Greensboro to Chicago and return.

Mr. Fenner, like a true "Knight of the Road," can react quickly in time of emergency. He has been cited for his timely action in saving the life of a young child who fell out of a car on the highway near Rural Hall in February, 1957. Fenner spotted the accident, stopped his truck, and ran to the rescue of the child. He also rendered first aid and cooperated with State Highway Patrolman F. P. Briles in carrying the child to the hospital.

And so, for this outstanding record of 3,550,000 miles in over thirty-four years of safe professional truck driving and this praiseworthy, heroic act of helping little Mary Ellen Shouse of Winston-Salem, it is my pleasure as governor of the state of North Carolina to present the 1958 North Carolina "Driver of the Year" award to you, Mr. Henry B. Fenner. Here is the Governor's Gold Cup.

Congratulations to you, to your wife, and to your daughter Barbara, for this outstanding record of professional service to your fellow-man.

DESIGNATING BETTER BREAKFAST WEEK IN NORTH CAROLINA

March 31, 1958

In order to stress the importance of a balanced diet in the maintenance of a high standard of public and personal health in our state, the week of March 31-April 6 has been designated as Better Breakfast Week in North Carolina.

Participating in this commendable effort are North Carolina's dairies, restaurants, bakers, dieticians, nutritionists, food dealers, and the many other facets of the food industry. To this list I would like to add the various departments of state government who concern themselves with the health and welfare of our citizens. These departments wholeheartedly endorse the over-all purpose and specific objectives of your program.

In this hectic day and time, too few people realize the benefits to be derived from a more intelligent consideration of their eating habits. In spite of the fact that physicians recommend that each person consume up to one-third of the day's food requirement at breakfast, studies have shown that a surprising number of people eat no breakfast at all or limit their morning diet to a cup of coffee and a piece of toast. Such practices have both an immediate and a long-range detrimental effect on the health of the individual.

It is to the credit of the various groups and individuals responsible for the sponsorship of this observance that they have combined their energies and resources to call attention to this frequently overlooked phase of the health picture.

It is also commendable and appropriate that the sponsors of this program have chosen to emphasize the value of locally produced food products as an answer to the problem of breakfast diet deficiency.

During "Better Breakfast Week," a wide variety of traditional breakfast foods, produced and marketed in North Carolina, will be served in eating establishments throughout the state. I would like to urge all North Carolinians to join in this special observance by duplicating this effort in their homes.

In the sincere belief that the occasion will serve to help promote the general health and well-being of every North Carolinian, I am glad to designate the week of March 31-April 6 as Better Breakfast Week in North Carolina, and to encourage participation in this program by every citizen of the state.

ON THE DEATH OF J. B. IVEY

April 4, 1958

I am distressed to learn of the passing of J. B. Ivey, a great merchant, outstanding citizen, and dedicated church leader. He was a pioneer in merchandising in our state, and we are grateful for the many contributions which he made to the life and progress of North Carolina.

COMMENDING EDUCATIONAL TELEVISION

April 16, 1958

The recent enthusiastic acceptance of television as a highly effective force in the field of education can leave little doubt as to the future potential of this young and energetic medium.

Educational authorities estimate that at least 20,000,000 Americans will receive some type of formal instruction by means of television during 1958. Hundreds of schools and colleges throughout the country are currently testing this new teaching method and thus far the results of these tests have been exciting. A number of authorities have gone so far as to predict that television will, in a brief span of years, completely revolutionize the nation's educational system.

In North Carolina, experience has indicated that educational television, while it will not likely prompt an immediate upheaval of traditional procedures, has shown tremendous potential and has earned a prominent place in future considerations. The promise it holds as a possible solution to the teacher shortage is, in itself, ample justification for this consideration.

I am further convinced that educational television can be of immense value in carrying knowledge, culture, and an appreciation of the arts into all our counties.

Photo by Madlin Futrell

Governor Hodges with Mrs. Margaret Johnson Patterson Bartlett, great-granddaughter of Andrew Johnson, and B. Frank Heintzleman, former territorial governor of Alaska, at Andrew Johnson Commemorative Ceremonies in Raleigh, October 31, 1958.

Photo by Hugh Morton

The head table at one of the luncheons at which Governor Hodges spoke during his industry-hunting visit to Philadelphia, November 17-20, 1958. *Left to right:* Pearson Stewart, associate director of the Research Triangle Committee; Frank G. Benswanger, Jr., Philadelphia business executive; William P. Saunders, director, N. C. Department of Conservation and Development; Frank G. Benswanger, Philadelphia business executive; Governor Hodges; Robert L. Huffines, New York business executive, formerly of North Carolina; James S. Currie, N. C. Commissioner of Revenue; Edward L. Rankin. Jr., private secretary to Governor Hodges.

I would like to compliment the staff of WUNC-TV for its pioneering efforts in the field of educational television and its contribution to the cultural welfare of our state.

ON THE DEATH OF W. KERR SCOTT

April 16, 1958

North Carolina has lost a great and distinguished citizen and public servant. The sudden and unexpected death of Senator W. Kerr Scott has taken from us a warm and human leader who has rendered outstanding service to his state as commissioner of agriculture, governor of North Carolina, and United States Senator.

His vital leadership has been a part of the life of North Carolina for many years. He was a man of strong convictions, a staunch friend of the people of North Carolina, and served them well.

Mrs. Hodges and I have expressed our deepest sympathy to "Miss Mary" and the Scott family in their great loss.

GREETINGS TO EAST CAROLINA COLLEGE ON ITS FIFTIETH ANNIVERSARY

April 28, 1958

It is a distinct pleasure to have this opportunity to extend greetings and offer my congratulations to East Carolina College on the occasion of its fiftieth anniversary.

In many ways this fine institution of higher learning is symbolic of the dramatic transformation that has taken place in the field of education in North Carolina during the past half-century. In 1900 our state and denominational colleges were struggling with few buildings, little equipment, inadequate income, small enrollments, small libraries, and poorly paid teachers. In the ensuing years, steadily increasing state appropriations, philanthropic individuals and energetic educational foundations have lifted North Carolina from the darkness of illiteracy to an age of educational enlightenment. East Carolina College, through intelligent leadership and determination, has played a significant part in this transformation.

From its beginning in 1908, when one and two-year courses were offered to less than 200 students, the college has grown into the mature institution we know today—the fourth largest college in the state, offering a variety of degrees to a student body that is rapidly approaching 4,000 in number.

The effect of this tremendous development on North Carolina, and especially on the eastern part of the state, cannot easily be evaluated. We all know, however, the material benefits and the intangible contributions that the college has made to the health, happiness, and welfare of those it has touched. When you consider also that the accomplishments of the past are only a small indication of the opportunities that the future holds, then the true significance of East Carolina College becomes more clearly apparent.

Recent economic and cultural developments in eastern North Carolina have brought this vast section of our state and its people to a point where the decisions of the next few years will vitally affect the destinies of future generations. I am firmly convinced that opportunities for heretofore unimagined progress and growth are greater today in eastern North Carolina than at any time in history. East Carolina will certainly play a leading role in this program.

May I conclude by extending my congratulations to President Messick, the administrative staff, the faculty, and the trustees who deserve much of the credit for the growth and development of East Carolina College. I should also like to reserve a significant part of the credit for the citizens of eastern North Carolina, especially the people of Greenville and Pitt County, without whose material and spiritual support the college would never have attained the influential position it occupies in North Carolina today.

ON THE LOCATION OF A NEW LACE PLANT AT SOUTHERN PINES

May 22, 1958

I am quite pleased to learn that Mazur Laces, Inc. is planning to locate a new plant in Southern Pines. This will represent a substantial investment which should benefit Southern Pines, Moore County, and the state of North Carolina. I am confident that this new company will continue to receive the full cooperation of the Southern Pines Industrial Development and Moore County Industrial Development groups, which worked so closely with the company and the state in making this announcement possible.

The location of this new plant is further evidence of what can be done when the state, communities, counties, and local organizations work together to help develop our economic resources.

WELCOME TO ASTRA, INCORPORATED

May 23, 1958

[Astra is a physics engineering concern offering comprehensive services for the development of astroengineering technologies and of peaceful applications of atomic energy, both within the United States and abroad. Announcement of this firm's decision to move from Milford, Connecticut, to Raleigh and ultimately to the Research Triangle was regarded by the Governor as an indiciation that his plans for development of the Research Triangle area were materializing.]

Astra, Incorporated, is the first nuclear oriented group to move into North Carolina's Research Triangle. Announcement of its decision to come here is thus both historic and auspicious.

The Raleigh Chamber of Commerce, Durham interests including the Durham Committee of 100, and North Carolina State College have provided a magnificent example of inter-city and group cooperation; each one has helped to welcome Astra to the Triangle area. I thank and congratulate each of these public-minded groups.

North Carolina is moving ever forward in its service to the nation in research and industry, and we shall continue this encouraging progress. Only a month ago it was my pleasure to announce the plans for the fifty megawatt nuclear reactor to be built on the Pee Dee River here in North Carolina. We believe that the coming of Astra is another milestone in the development of nuclear North Carolina.

We wish for Astra a successful career at its North Carolina location. We say this in all earnestness, as applying not only to Astra itself, and the Research Triangle of North Carolina, but indeed from the standpoint of the over-all national interest in exploiting and developing the latest in science, technology, and engineering, that we may preserve our heritage as a free people.

FOURTH OF JULY MESSAGE

July 3, 1958

The Fourth of July is here again and we, as Americans, will celebrate our nation's birthday. This is a significant date which should symbolize many things for us as citizens—our freedom, our security, our constitutional government, our rights, and our responsibilities.

The historic action of Congress in admitting Alaska to the union as the forty-ninth state will add another star to Old Glory. It will also serve to strengthen our nation with the vigor and the resources of this great territory and its people.

Unfortunately, there is always a grim aspect to the Fourth of July holidays. Last year in North Carolina there were eleven people killed in traffic accidents during this period. Nine of those deaths resulted from excessive speed.

I know that thousands of North Carolinians look forward to a long weekend at the beach, mountains, or visiting family and friends. Let each of us make a determined effort this year to drive safely, sanely, and with full awareness of the need for not making any mistakes at the wheel.

IN PRAISE OF THE THIRTIETH DIVISION, NORTH CAROLINA NATIONAL GUARD

July 16, 1958

I am very pleased to learn that the Thirtieth (Old Hickory) Division of the North Carolina National Guard has been awarded the Croix de Guerre with Palm by the French Government. This award, presented by the French ambassador at the division's recent reunion in Washington, D. C., was given for outstanding service in the liberation of France from German occupation during World War II.

This record of bravery and sacrifice included 26,000 casualties and the capturing of 50,000 prisoners, the operations in Normandy, hedgerow fighting, the crossing of the Vire River, the Battle of St. Lo, and the Battle of Mortain. Such a record fully justified the division's award and I congratulate all officers and men who had a part in making this distinguished record.

For its outstanding fighting record during this period, the division earned the title of "The Work Horse of the Western Front," was nicknamed "Roosevelt's SS Troops" by the Germans, and was later proclaimed by historians of the European Theater of Operations as the "Number One" Infantry Division in that theater.

Even though the Thirtieth's three infantry regiments were, in the past, awarded the Croix de Guerre, this is the first time the entire division has been so decorated by the French Government.

During World War II, the Thirtieth Division was made up of men from North Carolina, Tennessee, South Carolina, and Georgia, but was reorganized in 1954 with the Thirtieth Division becoming an all North Carolina division and the Thirtieth Armored Division organized in Tennessee.

This newest decoration increased the division's list of awards to eight distinguished unit citations, one Belgian Fourragers, and one French Croix de Guerre with Palm. Division members have received six Congressional Medals of Honor and sixty-five Distinguished Service Crosses.

This recognition for the Thirtieth Division is another fine example of North Carolina's great tradition for active participation in the defense of our nation through the years.

COMMENT ON THE RENOMINATION OF GOVERNOR ORVAL FAUBUS

July 30, 1958

The nomination of Governor Faubus was a matter, of course, for the good Democratic voters of Arkansas to decide. I do believe, however, that the overwhelming vote he received indicated the intensity of feeling against President Eisenhower for sending federal troops into Little Rock.

COMMENDING THE STATE HIGHWAY PATROL

August 1, 1958

North Carolina is very proud of its State Highway Patrol which has just received, for the second year in succession, the nation's foremost honor for general excellence in the field of traffic safety. We are honored to have General G. C. Stewart, executive vice president of the National Traffic Safety Council, here to present this "Outstanding Achievement Award" on behalf of the International Association of Chiefs of Police.

During the year 1957, as in 1956, North Carolina Patrol's activities met or exceeded the standards set forth jointly by the IAPC and the National Safety Council, both organizations of unquestionable authority in traffic safety and traffic law enforcement. I understand the current award, which recognizes these achievements, was based on the patrol's general administration and operations, its policies and organizational structure, quality of personnel, and the effectiveness of its basic training and retraining programs.

The patrol's outstanding law enforcement work has helped turn the rising tide of highway fatalities in North Carolina, which is now on a steady downward trend. Since 1951 the deaths per 100,000,000 motor vehicle miles have dropped from 8.3 to 6.2, as compared with the present national average of 6.0. As of July 31, highway fatalities are below that of the same date last year.

This national recognition is proof that our State Highway Patrol is leading the nation in effective law enforcement on our highways. Yet, despite this outstanding law enforcement, North Carolina still experiences far too many highway deaths and injuries. We recognize that enforcement alone cannot do the job, just as the best highway engineering cannot do more than its fair share.

Education is still the big hope of the future, if we are going to reduce substantially the needless slaughter on our state highways. The human factor still depends upon the individual driver who must realize his responsibility in operating a motor vehicle carefully, safely, and with every regard for other motorists and pedestrians.

APPEAL FOR FEDERAL ASSISTANCE FOLLOWING HURRICANE HELENE

TELEGRAM

September 29, 1958

The Honorable Dwight D. Eisenhower
President of the United States
The White House
Washington, D. C.

On Saturday, September 27, 1958, Hurricane Helene struck the coast of North Carolina with such destructive force as to cause severe damage to public and private property in the coastal areas of the state reaching inland to depths yet undetermined.

It is now apparent that the damage, hardship, and suffering are so extensive as to be beyond the capabilities of the state and local governments to alleviate and that federal assistance is required.

A detailed estimate of the damage will be made and furnished to you as expeditiously as possible. I have state engineers and other personnel in the affected areas at this time for the purpose of determining the amount of funds, personnel, equipment, and material required to alleviate conditions. A detailed estimate of the damage, together with a statement of the nature and extent of federal assistance required to supplement state and local efforts, will be furnished to you as soon as necessary information can be secured.

Although total damage and requirements cannot be determined at this time, certain measures requiring the full assistance of federal agencies within their authority and responsibility under the law are considered necessary to meet immediate problems.

Be assured that all available resources of the state and local governments will be committed to the foregoing purposes to the maximum extent possible. All state and local civil defense organizations and the American Red Cross are exerting maximum efforts. It is accordingly requested that a major disaster be declared covering the southeastern and coastal areas of North Carolina under authority of Public Law 875, 81st Congress, as amended, a specific request for an allocation of funds thereunder to await a detailed statement of damages and requirements together with state and local resources made available and committed.

Luther H. Hodges
Governor of North Carolina

INVITATION TO THE STATE FAIR

October 14-18, 1958

(Prepared for and published in *The 91st North Carolina State Fair* [Premium List], Raleigh, 1958)

It is a distinct pleasure to join with the management of our North Carolina State Fair in extending to you an inivitation to participate in the ninety-first annual fair. It is an event in which North Carolinians can take great pride as it has grown into one of the great expositions of the Southland.

In this premium list are catalogued the many departments and classes for competitions in which awards are made. You are cordially invited to join with other folks from Tarheelia in competing for the $50,000 in prizes by entering exhibits which show your skills in handicraft, the arts, hobbies, or the products of your farms or shops, your kitchens or gardens.

We extend greetings also to those from other states who come to enter livestock competitions which are "open to the world." It is from such outside entries that we can compare our own animals and herds, and from which we gain greater ambition for progress and improvement in breeding finer dairy and meat animals.

When fairtime arrives this fall, I hope you will be one of those who will share in the enjoyment of the five days of education, inspiration, and recreation at your State Fair. We want to learn more about North Carolina, its economy and our people during Fair Week—October 14 through 18 here in Raleigh.

ON PRECAUTIONS AGAINST FOREST FIRES

November 25, 1958

I have been advised by the State Wildlife Commission and the State Department of Conservation and Development that the forest fire situation in western and central North Carolina has reached the dangerous stage, and if drought conditions continue, the situation may become critical.

Therefore, I strongly urge hunters and other persons engaged in woodland activities to be extremely careful with fire. There have been a number of small fires, and we are thankful that these have been brought under control. It is important that persons working or hunting in the woods at this time must exercise caution, and I suggest that they not carry matches or lighters into the woods. Foresters and wildlife protectors must be extremely vigilant at this time in fire detection and control.

If the fire hazard continues to grow worse, and unless everyone concerned cooperates in forest fire prevention, it will be necessary for me, on the advice of the director of the Department of Conservation and Development and the director of the Wildlife Resources Commission, to close the woodlands of North Carolina to hunting and other activity during the danger period.

STATEMENT ON TOBACCO AND OTHER CROP QUOTA PROGRAMS

November 26, 1958

(Filmed for use on television)

As governor of North Carolina, I have studied with interest the effect of quota programs on the basic crops in North Carolina and the United States.

Records indicate that flue-cured and burley tobacco stocks have been reduced in the last two years. Flue-cured stocks have been reduced approximately 286,000,000 pounds and burley by 100,000,000 pounds.

In view of this, I wired the Secretary of Agriculture and requested that no cut be made in flue-cured tobacco acreage for 1959, and I am delighted to learn that Secretary Benson will actually increase tobacco quotas slightly for next year.

December 15 is the date growers will decide whether they will continue quota programs for tobacco and cotton. Growers will also decide on two other important programs—assessments for Tobacco Associates and peanuts educational work.

I want to talk briefly on each of these important referendums. A two-thirds favorable vote is required on each of the four to continue the programs next year.

First, cotton quotas.

If a favorable vote is cast, producers are assured a price support of 80 per cent of parity. If quotas are not approved by two-thirds majority, the support will be 50 per cent of parity; yet in order to get the 50 per cent of parity support, farmers will have to plant within their allotments. To me this means we should vote for cotton quotas and receive 80 per cent of parity.

With reference to flue-cured tobacco quotas, farmers who grew flue-cured tobacco in 1958 are eligible to vote on December 15 for quotas for the years 1959, 1960, and 1961.

I can remember in the 1930's when tobacco averaged 8 cents per pound. In 1939 when the program was voted out, the market averaged 15 cents per pound. I want to say to farmers, if this quota program were to be voted out on December 15, it would be nothing short of a calamity to our flue-cured tobacco farmers, and in turn would affect the whole state's economy. We would lose the stability of our markets.

We are marking progress in agricultural diversification. I am doing all in my power to encourage the establishment of processing industries in the state which would help all our farmers—especially those who depend solely on tobacco as a money crop—to have other sources of income. However, we must continue our efforts to try to hold flue-cured tobacco production in North Carolina.

Even though there may be some dissatisfaction with the tobacco program, it is the best we have, and I want to urge all eligible growers to go to the polls on December 15 and vote in the quota referendums. I am confident the program will be retained and improved in the next three years.

I am reminded by the records that the last vote for flue-cured tobacco quotas was in 1955 and they were approved by 97.3 per cent of the growers voting.

There are two other referendums to be held on December 15th.

The Tobacco Associates Program is one permitting growers to assess themselves 10 cents per acre. Much has been accomplished through Tobacco Associates in developing trade in West Germany, Japan, Italy, and a number of countries that formerly used American flue-cured tobacco but during World War II discontinued its use. These markets have been regained by the efforts of Tobacco Associates and other cooperating agencies.

Tobacco Associates was instrumental in getting tobacco placed in the 480 Program, which deals with the problem of selling tobacco to friendly countries that normally buy tobacco with dollar exchange. The 480 Program has made it possible for these countries to stock tobacco in excess of normal purchases in their own currency. This has aided in moving more than 100,000,000 pounds of tobacco.

Farmers will be given an opportunity to express themselves on December 15 as to whether they want to expand the program and increase assessments up to $1.00 per acre. If a favorable vote is cast to expand the program, then the amendment of the enabling act will be brought before the 1959 state legislature for its consideration.

I also want to call attention to the Peanut Assessment Program, which was put into operation after the Tobacco Associates Program had proved successful. The peanut growers assess themselves 2 cents per 100 pounds. On December 15 they will vote on whether to continue the assessment in order to raise funds for promotional work.

I want to urge farmers to continue these assessment programs. It is encouraging to see farmers willing to assess themselves to promote the sale and use of their commodities. These programs are in their own self-interest and will help North Carolina as well.

THE HOSIERY INDUSTRY IN NORTH CAROLINA

For *The Knitting Industry Weekly*

December 8, 1958

North Carolina entered the twentieth century and the hosiery business at approximately the same time—and in both instances the state came in by way of the back door.

Its economy still showing the ravages of Civil War, North Carolina came into the new century lacking in almost everything but ambition. True, the seeds of industrial development had been sown and some of the latent potential was beginning to emerge, but the significant emergence that would lead to regional and, in some instances, national leadership would be many years in coming.

Some hosiery was manufactured in North Carolina prior to 1900. The textile industry had been growing slowly for more than 100 years and it was only natural that the production of hosiery should develop, even if on a limited scale. Yet, the first really significant stride taken in the state toward the development of the hosiery industry came, not directly from the expanding textile business, but from two other industries—furniture and tobacco.

The manufacture of furniture and tobacco products were the economic mainstays in the town of High Point in 1900. They employed mostly men and as these industries grew, they attracted more and more families to the High Point area. And as the population increased, so did the supply of female labor. It was inevitable that some attempt be made to exploit this readily available labor force. The inevitable became reality in 1904 when a hosiery mill was established. It was a wise decision. Today, High Point is the hosiery capital of North Carolina. And North Carolina is the hosiery capital of the nation.

At the present time, North Carolina produces roughly half of all the hosiery of all types produced in the United States. A recent report from the operating headquarters of the National Hosiery Manufacturers Association revealed that the state's mills turn out 49.1 per cent of the nation's hosiery. This includes 44.1 per cent of all the full fashioned hosiery and 50.9 per cent of all the seamless varieties.

The association also reported that during 1957 a total of 145,048,000 dozen pairs of hose were manufactured in the United States. Of these, 120,094,000 dozen pairs were produced in the South and 71,219,000 dozen pairs came from North Carolina.

High Point remains the heart of the hosiery industry in the state, but we are proud of the fact that the industry now spreads its benefits from the Coastal Plain to the mountains—making a significant contribution to the economic balance that we seek today in North Carolina.

The development of this great industry has been accomplished largely through local initiative and capital, though no attempt is made to disguise the fact that local growth has been supplemented considerably by outside capital. As a matter of fact, North Carolinians are proud of this latter fact because it clearly demonstrates that their state has something to offer the objective industrial investor that few other areas can offer. This condition is found, not just in the textile industry, but in all areas of development and it accounts for the fact that North Carolina leads the South in so many areas of industrial growth.

Hosiery production has developed in North Carolina because of many tangible and intangible factors. Climate, raw material, natural resources, economic conditions in other sections of the country, and numerous other factors have contributed. But now, as in the beginning, the most important factor is people.

North Carolina boasts a labor supply second to none. It is abundant, available, and above all, competent. Our people know that economic development is a two-way proposition, that the responsibility for success must be shared by both employee and employer. "A day's work for a day's pay" has become a maxim with meaning in North Carolina, and the leaders of our great industries have repeatedly testified to this fact. Almost half a million of our citizens work in the manufacturing plants of our state. Individually and collectively, they are the reason for our optimism about the future.

Of the half-million workers, 225,000 are employed in the textile industry. Approximately 60,000 men and women are involved directly in the manufacture of hosiery. Evidence of this industry's importance to the state's economy can be seen in the fact that the annual income of hosiery workers alone is in the neighborhood of $150,000,000.

We, in North Carolina, are confident that this great industry will continue to grow as a vital part of the state's overall development program. We believe it will grow because it has proven its ability to produce quality hosiery for both national and international markets. We believe it will grow because our hosiery manufacturers are men of vision—constantly on the alert to keep abreast of and ahead of changing methods, procedures, and styles.

Researchers and stylists employed by North Carolina hosiery mills are looking far into the future in a never-ending effort to detect and meet whatever challenges the years ahead may offer. In so doing, they are fulfilling their responsibility to their industry and to the large segment of our population that depends upon that industry for their livelihood.

North Carolinians are proud of their hosiery industry and they are proud of the role that this industry has played in the ascendency of their state. Their pride is well-founded.

ON BOMB HOAXES AND BOMB THREATS INVOLVING PUBLIC SCHOOLS

December 11, 1958

In my press conference last week, I was asked to comment on the series of school bombing hoaxes which had occurred in various communities in North Carolina. I expressed my indignation at such occurrences and expressed the hope that we in North Carolina would be spared any further such outrages.

Unfortunately, many more anonymous telephone calls, purporting to report the location of bombs in various public schools, have been made. As of yesterday, there have been anonymous telephone calls affecting more than twenty-four public schools and 26,604 children in North Carolina. The disruption and confusion resulting from such unlawful acts cannot be condoned or shrugged away. Each anonymous bomb hoax is a threat to the security and peace of our state, our communities, and our entire public school system. Whether these calls may be made by prankish children or misguided adults does not change the extremely serious consequences of these actions.

As governor of North Carolina, I appeal to every citizen in the state to do what he or she can to prevent any further bomb hoax or bomb threat to our schools or public places. I appeal particularly to the parents of school children in North Carolina and ask each of them to make certain that their children understand fully the serious consequences of making such anonymous calls.

The people of North Carolina do not believe in violence or threats of violence. We are justly proud of our public schools, and we want no harm to come to any one of our 1,000,000 school children.

I can assure you that every law enforcement officer in North Carolina will do his utmost to apprehend those guilty of making anonymous calls or threats and that the courts of North Carolina will deal promptly with these misguided people.

We have in hand the text of a proposed statute which is planned for presentation to the 1959 General Assembly for the purpose of providing more severe criminal penalties for such outrages. It is my earnest and sincere hope that we can prevent any further bomb threats and that those who have been guilty of making these threats will be apprehended and promptly punished.

I am asking every citizen in our state and every governmental agency to help stop these irresponsible acts. I am informed that effective plans are now in progress to detect telephone calls and to apprehend the guilty people, young or old. They will not be dealt with lightly.

CHRISTMAS MESSAGE

December 11, 1958

Once again we have come to the Christmas Season—a great annual event set aside for rejoicing and for rededication to the Christian ideal of peace and good will among all men. The spirit of the season is reflected throughout North Carolina—in our communities and commercial establishments, where colorful decorations symbolize the joy of Christmas, and in our churches and homes, where a deeper and truer significance is felt.

Christmas is a festive time, a time for reunion with family and friends, a time for the exchange of gifts as tokens of true friendship and affection, a time of inexpressible excitement for children, and a time of exuberance tinged with nostalgia for our older citizens. But Christmas is also a time for remembering those among us who are less fortunate than ourselves—the handicapped, the lonely and the aged, the inmates and patients of our institutions and hospitals—those individuals and families in our society who, through no fault of their own, provide us with an opportunity to contribute something of ourselves to the spirit of the season.

Let us not forget that Christmas symbolizes the eternal hope that all men everywhere will some day forget the meaning of hate and fear and learn to live together in peace and prosperity. This is the hope of mankind, and there has never been a time in our history when there existed a greater need for us to acknowledge, with humility and reverence, the importance of spiritual guidance in helping us convert this hope into reality. Only in this way will mankind come to know the fulfillment of the wonderful promise that was made many centuries ago in the little town of Bethlehem.

Mrs. Hodges and I would like to take this means of expressing to every person in North Carolina our sincere best wishes for a very Merry Christmas and a Happy, Prosperous New Year.

"WHY I AM PROUD TO BE A DEMOCRAT"

(Prepared in 1958 and published in Cameron P. West, editor, *A Democrat and Proud of It,* Raleigh, 1959, pp. 30-31)

It is no easy task for a person to express in a relatively few words the reasons for his pride and faith in a political philosophy which, like the nation that fostered it, has developed from a carefully conceived idea into a very tangible and wonderful way of life.

Thomas Jefferson, whose devotion to the principle of self-government gave us the Democratic party, once said, "The end of life is individual happiness and the purpose of the state is to secure and increase that happiness." In this simple statement, Jefferson has set forth the basic, yet all inclusive, philosophy of the party he founded. In effect, he has said that a political party, if it is to justify its existence in a truly democratic society, must be unalterably dedicated to the spiritual, intellectual, cultural, and economic advancement of every individual and every group of individuals within that society.

This, then, is the mold in which the Democratic party was formed, and it has proven worthy of our allegience. Our history records that, with very few exceptions, every program for the establishment of world peace, and practically every domestic program designed to improve the living standards of the great majority of our citizens, originated under Democratic administration.

I am proud of my association with the Democratic party because it provides me with a material link to the past. It gives me an opportunity to stand with Jefferson, Madison, Monroe, and Jackson during that period in our history when both the nation and the party were young. And it gives infinitely more meaning to the association I enjoy with the great Democratic national leaders of more recent and, in many ways, vastly more critical times—Cleveland, Wilson, Franklin Roosevelt, and Harry Truman.

This pride in what the Democratic party has done for our nation is matched only by my pride and gratitude for what dedicated Democratic leadership has done for my state and for the South. Today, this great region stands on the threshold of an era of economic prosperity unprecedented in our history. We are one of the garden spots of the world—rich in the human and natural resources that, properly developed, cannot fail to produce a higher standard of living and a greater degree of happiness for our people.

We have come to this stage of development under Democratic leadership. We have cast our lot with the Democratic party. We have remained loyal to the Jeffersonian ideal while others have compromised their principles for political advantage. The people of North Carolina and the South have, for more than half a century, held to their faith in Democratic leadership. The great opportunities now unfolding for these people would certainly seem to indicate that this faith was amply justified. This single factor is, in itself, sufficient reason to warrant pride in a long-standing association with the Democratic party.

I am proud to be a Democrat!

Jefferson has set forth the basic, yet all-inclusive, philosophy of the party he founded. In effect, he has said that a political party, if it is to justify its existence in a truly democratic society, must be unalterably dedicated to the spiritual, intellectual, cultural, and economic advancement of every individual and every group of individuals within that society.

This then is the mold in which the Democratic party was formed, and it has proven worthy of our allegiance. Our history records that, with very few exceptions, every program for the establishment of world peace and practically every domestic program designed to improve the living standards of the great majority of our citizens, originated under Democratic administration.

I am proud of my association with the Democratic party because it provides me with a material link to the past. It gives me an opportunity to stand with Jefferson, Madison, Monroe, and Jackson during that period in our history when both the nation and the party were young. And it gives infinitely more meaning to the associated feeling with the great Democratic national leaders of more recent and, in many ways, vastly more critical times—Cleveland, Wilson, Franklin Roosevelt, and Harry Truman.

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I am proud to be a Democrat!

APPOINTMENTS

APPOINTMENTS

[This list includes only the appointments made by Governor Hodges during 1957 and 1958, the two years of his administration covered by this volume. It does not contain all the persons who served on the various boards, commissions, and other appointive agencies during this period. These may be found in the *North Carolina Manual, 1957* (issued by the Secretary of State), pp. 263-318. The arrangement of the agencies here follows the order in which they appear in the *Manual.*

An asterisk by a name indicates that the person was appointed and reappointed by Governor Hodges. A daggar indicates appointment during a previous administration and reappointment by Governor Hodges.]

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
PRIVATE SECRETARY AND ADMINISTRATIVE ASSISTANTS			
PRIVATE SECRETARY[1]			
Edward L. Rankin, Jr. †	Greensboro	11-7-54	At pleasure of the governor
ADMINISTRATIVE ASSISTANTS			
Paul A. Johnston	Chapel Hill	12-15-54	At pleasure of the governor
Robert E. Giles[2]	Raleigh	8-1-57	At pleasure of the governor
ATTORNEY GENERAL, SOLICITORS, AND JUDGES			
ATTORNEY GENERAL[3]			
Malcolm B. Seawell[4]	Lumberton	4-18-58	12-31-60
SOLICITORS, SUPERIOR COURT[5]			
Bayard T. Falls, Jr.[6]	Shelby	6-17-57	12-31-58
W. H. S. Burgwyn, Jr.[7]	Woodland	12-10-58	12-31-58
JUDGES, SUPERIOR COURT[8]			
James C. Farthing[9]	Lenoir	6-17-57	General election, 1958
Heman R. Clark[10]	Fayetteville	1-2-58	General election, 1958
Henry A. McKinnon, Jr.[11]	Lumberton	4-2-58	General election, 1958
Robert M. Gambill[12]	North Wilkesboro	6-13-58	General election, 1958
George B. Patton[13]	Franklin	6-13-58	General election, 1958

SPECIAL JUDGES, SUPERIOR COURT[14]

William Reid Thompson[15]	Pittsboro	3-18-58	6-30-59

EMERGENCY JUDGES, SUPERIOR COURT[16]

Q. K. Nimocks	Fayetteville	4-1-58	For life
Zeb V. Nettles	Asheville	12-29-58	For life

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[1] The governor shall appoint a private secretary who shall enter in books kept for that purpose all such letters, written to and by the governor, as are official and important, and such other letters as the governor shall think necessary. *Public Laws of North Carolina, 1868, Ch. 270; General Statutes of North Carolina,* Sec. 147-14. (Hereinafter the *Public Laws of North Carolina* will be cited as *P. L.*, and the *General Statutes of North Carolina* as *G. S.*)

[2] Succeeded Paul A. Johnston, resigned to become director of the newly created Department of Administration.

[3] The attorney general is an elective official, but appointed by the governor when there is a vacancy during the term, as in this instance. *G. S.*, Sec. 147-4; Constitution of North Carolina, Art. III, Secs. 1, 13.

[4] Succeeded George B. Patton, resigned.

[5] Solicitors are elected by the qualified voters of the state for a four-year term and hold office until their successors are qualified. Vacancies are filled by appointment of the governor until the next general election. The Constitution of North Carolina, Art. IV, Secs. 23 and 25; *P. L. 1868-1869,* Ch. 270, Sec. 27-3.

[6] Succeeded James C. Farthing, resigned to become Superior Court judge.

[7] Succeeded Ernest R. Tyler, deceased. Burgwyn had been elected for the full term 1959-1962 at the November, 1958, general election.

[8] Resident judges of the Superior Courts are elected for terms of eight years beginning in January following the general election. Vacancies are filled by appointment of the governor to serve until the next general election. *G. S.*, Sec. 7-40; *Session Laws of North Carolina,* 1955, Sec. 129. (Hereinafter the *Session Laws of North Carolina* will be cited as *S. L.*)

[9] Succeeded Justus C. Rudisill, retired.

[10] Succeeded Q. K. Nimocks, retired.

[11] Succeeded Malcolm B. Seawell, resigned to accept appointment as attorney general.

[12] Succeeded J. A. Rousseau, deceased.

[13] Succeeded Dan K. Moore, retired.

[14] The law provides for four special judges, two from the eastern judicial division and two from the western judicial division of the state, to be appointed by the governor for two-year terms. *G. S.*, Sec. 7-54, 56; *S. L., 1955,* Ch. 1016.

[15] Succeeded W. A. Leland McKeithan, deceased.

[16] Any judge of the Superior Court who has attained the age of sixty-five years and has served fifteen years on the Superior Court bench may retire and become an emergency judge of the Superior Court. Constitution of North Carolina, Art. IV, Sec. 11; *G. S.* Sec. 7-51.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
ADMINISTRATIVE OFFICERS			
ADJUTANT GENERAL[17]			
Capus Waynick[18]	High Point	7-12-57	At pleasure of the governor
DEPARTMENT OF ADMINISTRATION[19]			
Paul A. Johnston, *Director*	Chapel Hill	6-17-57	At pleasure of the governor
COMMISSIONER OF REVENUE[20]			
James S. Currie[21]	Raleigh	8-8-57	1-1-61
DIRECTOR OF TAX RESEARCH[22]			
Hudson C. Stansbury[23]	Raleigh	8-8-57	At pleasure of the governor
GENERAL ASSEMBLY, 1957[24]			
SENATE			
J. Spencer Bell[25]	Charlotte	2-11-57	End, 1957 General Assembly
C. A. Hasty[26]	Maxton	7-12-57	End, 1957 General Assembly
HOUSE OF REPRESENTATIVES			
C. Gordon Maddrey[27]	Ahoskie	5-14-57	End, 1957 General Assembly
UNITED STATES SENATOR FROM NORTH CAROLINA[28]			
B. Everett Jordan[29]	Saxapahaw	4-19-58	November, 1958, Election
GOVERNMENTAL BOARDS AND COMMISSIONS			
ADVISORY BUDGET COMMISSION[30]			
J. William Copeland[31]	Murfreesboro	7-5-57	At pleasure of the governor
J. K. Doughton[32]	Sparta	7-5-57	At pleasure of the governor

BOARD OF DIRECTORS OF THE NORTH CAROLINA AGRICULTURAL HALL OF FAME[33]

Thomas E. Browne *	Murfreesboro	6-10-57	1-27-63

STATE BOARD OF AGRICULTURE[34]

J. Hawley Poole †	West End	6-10-57	5-4-63
Claude T. Hall †	Woodside	6-10-57	5-4-63
Alfred B. Slagle †	Franklin	6-10-57	5-4-63

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[17] Constitution of North Carolina, Art. III, Sec. 8; *P. L., 1917,* Ch. 200.

[18] Succeeded John Hall Manning.

[19] This department was created by the 1957 General Assembly for the purpose of consolidating various functions in the state's administrative system. The director is appointed by the governor and is removable at the governor's pleasure. *S. L. 1957,* Ch. 269.

[20] The commissioner is appointed by the governor for a four-year term. *G. S.,* Sec. 147-87.

[21] Succeeded Eugene G. Shaw, resigned.

[22] This officer is appointed by and responsible to the governor and serves at the governor's pleasure. *G. S.,* Sec. 105-451.

[23] Succeeded James S. Currie, resigned to become commissioner of revenue.

[24] The governor follows the recommendation of the county executive committee of the political party to which the vacating legislator belongs in appointing a successor. Constitution of North Carolina, Art. II, Sec. 13; *G. S.,* Sec. 163-6.

[25] Succeeded F. J. Blythe, resigned.

[26] Succeeded Cutlar Moore, resigned.

[27] Succeeded J. Roy Parker, Sr., deceased.

[28] Where a vacancy occurs in this office, other than by expiration of a term, the governor appoints a citizen of the state to serve until the next general election. *G. S.,* Sec. 163-101.

[29] Succeeded W. Kerr Scott, deceased; elected to the Senate for the remainder of Senator Scott's term on November 4, 1958.

[30] Four members, of whom two are appointed by the governor and serve at his pleasure. The other two are the chairmen of the Appropriations and Finance Committees of the House and Senate. The governor is ex officio director. *G. S.,* Sec. 143-4.

[31] Succeeded Leroy Martin.

[32] Succeeded Alonzo C. Edwards.

[33] This board is composed of three members appointed by the governor for six-year terms and five ex officio members specified by the legislature: the commissioner of agriculture, the director of the North Carolina Agricultural Extension Service, the state supervisor of vocational agriculture, the president of the North Carolina Farm Bureau Federation, and the master of the State Grange. *S. L., 1953,* Ch. 1129.

[34] Composed of the commissioner of agriculture, who is ex officio, and ten members serving six-year terms, appointed by the governor with confirmation by the Senate. The members are to be so distributed as reasonably to represent the different sections and agricultural interests of the state, and all must be practical farmers engaged in their occupation. *G. S.,* Sec. 106-2.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
STATE BOARD OF ALCOHOLIC CONTROL[35]			
William S. Hunt, Jr., *Chairman* *[36]	Fayetteville	1-6-58	4-23-58-61
J. Irvin Morgan, Jr.[37]	Farmville	9-4-57	4-23-60
STATE DEPARTMENT OF ARCHIVES AND HISTORY EXECUTIVE BOARD[38]			
Clarence W. Griffin †	Forest City	6-10-57	3-31-63
H. V. Rose[39]	Smithfield	6-10-57	3-31-63
James W. Atkins[40]	Gastonia	2-2-58	3-31-63
STATE ART COMMISSION[41]			
C. Sylvester Green *	Winston-Salem	8-13-57	8-1-59
Edwin M. Gill †	Raleigh	8-13-57	8-1-59
Clemens Sommer †	Chapel Hill	8-13-57	8-1-59
Robert L. Humber †	Greenville	8-8-58	8-1-60
Clarence Poe †	Raleigh	8-8-58	8-1-60
Egbert L. Davis, Jr.[42]	Winston-Salem	11-6-58	8-1-59
BOARD OF DIRECTORS OF THE NORTH CAROLINA ART SOCIETY, INCORPORATED[43]			
C. Sylvester Green †	Winston-Salem	6-10-57	5-1-61
Mrs. Charles A. Cannon †	Concord	6-10-57	5-1-61
George M. Ivey, Sr.[44]	Charlotte	12-4-58	5-1-61
ATLANTIC STATES MARINE FISHERIES COMMISSION[45]			
Wilton S. Griggs[46]	Point Harbor	6-20-57	6-20-60
STATE BANKING COMMISSION[47]			
Don S. Elias †	Asheville	11-5-57	4-1-59
E. D. Gaskins[48]	Monroe	8-15-57	4-1-61

Charles M. Reeves, Jr.*	Sanford	8-15-57	4-1-61
John W. Spears †	Lillington	8-15-57	4-1-61
John Van Lindley [49]	Greensboro	8-15-57	4-1-61
John P. Stedman[50]	Lumberton	9-13-57	4-1-59
COMMISSIONER OF BANKS			
Ben R. Roberts[51]	Durham	11-5-57	4-1-59

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[35] Consists of a chairman and two associate members, all appointed by the governor for three-year terms. *G. S.*, Sec. 18-37, 38.

[36] Succeeded Thomas W. Allen, resigned; reappointed for full term on April 22, 1958.

[37] Succeeded Samuel B. Etheridge.

[38] Seven members appointed by the governor for six-year terms, *G. S.*, Sec. 121-1.

[39] Succeeded Mrs. Sadie S. Patton.

[40] Succeeded Clarence W. Griffin, deceased.

[41] The commission is composed of five members appointed by the governor for two-year terms. *G. S.*, Sec. 140-5.5.

[42] Succeeded C. Sylvester Green, resigned.

[43] The board is composed of sixteen members, four of whom are appointed by the governor for a term of four years, eight of whom are chosen by the members of the North Carolina State Art Society, Incorporated, and four of whom are ex officio members, as follows: the governor, the superintendent of public instruction, the attorney general, and the chairman of the Art Committee of the North Carolina Federation of Woman's Clubs, *G. S.*, Sec. 140-1.

[44] Succeeded C. Sylvester Green, resigned.

[45] Three members, appointed for three years, from each state which is represented on this commission. Of the members from North Carolina, two serve ex officio, one of whom is designated by the Board of Conservation and Development, and the other is a member of the legislature designated by the state Commission on Interstate Cooperation. The third member is appointed by the governor. *S. L., 1949*, Ch. 1086.

[46] Succeeded Russell A. Swindell.

[47] Seven members appointed by the governor for four-year terms, plus the state treasurer (who serves as chairman) and the attorney general, who are ex officio. The commissioner is appointed by the governor with the approval of the Senate. *G. S.*, Sec. 53-92; *S. L., 1949*, Ch. 372; *S. L., 1953*, Ch. 1209.

[48] Succeeded Oscar J. Mooneyham.

[49] Succeeded A. K. Barrus.

[50] Succeeded R. P. Holding, deceased.

[51] Succeeded William W. Jones, deceased.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
STATE COMMISSION FOR THE BLIND[52]			
H. C. Bradshaw †	Durham	7-1-57	5-21-62
Joe W. Hood †	Wilmington	5-22-58	5-21-63
Howard E. Jensen †	Durham	5-22-58	5-21-63
NORTH CAROLINA BOARD OF BOILER RULES[53]			
Wilkes C. Price †	Asheville	6-23-58	6-18-63
W. E. Shuping, Jr. †	Charlotte	6-23-58	6-18-63
BUILDING CODE COUNCIL[54]			
Richard F. Booth	Raleigh	8-16-57	7-21-59
Verne G. Moser	Asheville	8-16-57	7-21-59
Warren Saunders	Wilmington	8-16-57	7-21-59
Thomas C. Cooke	Durham	8-16-57	7-31-61
Harley B. Foster	Greensboro	8-16-57	7-31-61
John Smith, Jr.	Leaksville	8-16-57	7-31-61
A. H. Jeffress	Kinston	8-16-57	7-31-63
A. G. Odell, Jr.	Charlotte	8-16-57	7-31-63
R. E. Vick	Raleigh	8-16-57	7-31-63
BURIAL ASSOCIATION COMMISSIONER[55]			
J. Wilbert Forbes *	Shiloh	7-1-57	6-30-61
Shem K. Blackley, Sr.[56]	Shelby	8-6-58	6-30-61
COMMISSION TO STUDY THE CAUSE AND CONTROL OF CANCER IN NORTH CAROLINA[57]			
Dr. D. H. Bridger	Bladenboro	10-31-57	Report to the 1959 General Assembly
Dr. Zack Owens	Elizabeth City	10-31-57	Report to the 1959 General Assembly
Dr. Rachel Davis	Kinston	10-31-57	Report to the 1959 General Assembly

Dr. Hubert M. Poteat, Jr.	Smithfield	10-31-57	Report to the 1959 General Assembly
Dr. Mark McD. Lindsey	Hamlet	10-31-57	Report to the 1959 General Assembly
Dr. John R. Kernodle	Burlington	10-31-57	Report to the 1959 General Assembly
Dr. J. Grady Faulk	Monroe	10-31-57	Report to the 1959 General Assembly
Dr. James F. Marshall	Winston-Salem	10-31-57	Report to the 1959 General Assembly
Dr. David L. Pressley	Statesville	10-31-57	Report to the 1959 General Assembly
Dr. James S. Raper	Asheville	10-31-57	Report to the 1959 General Assembly
Mrs. Lucille Beasley	Colerain	10-31-57	Report to the 1959 General Assembly
Mrs. John C. Murrill	Jacksonville	10-31-57	Report to the 1959 General Assembly
R. M. Kermon	Wilmington	10-31-57	Report to the 1959 General Assembly
K. A. Pittman	Snow Hill	10-31-57	Report to the 1959 General Assembly
Ozmer L. Henry	Lumberton	10-31-57	Report to the 1959 General Assembly
Mrs. Alphonso Elder	Durham	10-31-57	Report to the 1959 General Assembly
H. Fields Young, Jr.	Shelby	10-31-57	Report to the 1959 General Assembly
Mrs. Grace Taylor Rodenbough	Walnut Cove	10-31-57	Report to the 1959 General Assembly
Tom G. Maxwell	Hickory	10-31-57	Report to the 1959 General Assembly
Mrs. H. L. Bacon	Bryson City	10-31-57	Report to the 1959 General Assembly

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[52] The board is composed of eleven members, of whom six are appointed by the governor to serve terms of five years. The superintendent of the State School for the Blind and Deaf, the state supervisor of vocational rehabilitation, the secretary of the State Board of Health, the director of the North Carolina Employment Service, and the commissioner of public welfare are ex officio members. *G. S.*, Sec. 111-1, 2, 3.

[53] The board is composed of six members, of whom five are appointed by the governor for terms of five years each. The sixth member is the commissioner of labor, who serves ex officio and is chairman of the board. Of the five appointive members one is a representative of the owners and users of steam boilers within the state, one a representative of the boiler manufacturers or boilermakers within the state, one a representative of a boiler inspection and insurance company licensed to do business in North Carolina, one a representative of the operating steam engineers in North Carolina, and one a licensed heating contractor. Any vacancy is filled with a representative of the same class. *G. S.*, Sec. 95-54; *S. L., 1953*, Ch. 569.

[54] This council, consisting of nine members, was created by the 1957 General Assembly to replace an existing five-member council. Initial appointments, to be made by the governor, were for two-, four-, and six-year terms and thereafter for six-year terms. *S. L.*, 1957, Ch. 1138.

[55] The commissioner is appointed by the governor for a term of four years. *G. S.*, Sec. 58-224.

[56] Succeeded J. Wilbert Forbes, resigned.

[57] Twenty members, appointed by the governor, to report to the 1959 General Assembly. *S. L., 1957*, Res. 34.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
THE NORTH CAROLINA CAPE HATTERAS SEASHORE COMMISSION [58]			
Aycock Brown †	Manteo	1-7-58	1-12-62
Miles Clark †	Elizabeth City	1-7-58	1-12-62
Ben Dixon MacNeill *	Buxton	1-7-58	1-12-62
Julian Oneto[59]	Nags Head	1-7-58	1-12-62
Theodore Rondthaler[60]	Ocracoke	1-7-58	1-12-62
GOVERNOR RICHARD CASWELL MEMORIAL COMMISSION [61]			
Edmund H. Harding[62]	Washington	8-28-57	11-30-61
Mrs. Charles M. Johnson *	Raleigh	11-18-57	11-30-65
Mrs. R. O. Everett *	Durham	11-18-57	11-30-65
Ray Galloway *	Raleigh	11-18-57	11-30-65
Mrs. G. A. Kernodle *	Burlington	11-18-57	11-30-65
NORTH CAROLINA STATE CIVIL AIR PATROL AGENCY [63]			
Lloyd Griffin[64]	Raleigh	12-9-57	9-1-59
Charles T. Hagan *	Greensboro	12-9-57	9-1-59
Frank O. Sherrill *	Charlotte	12-9-57	9-1-59
COMMERCIAL FISHERIES ADVISORY BOARD [65]			
W. H. Mason *	Oriental	7-11-57	7-1-61
Dick O'Neal *	New Holland	7-11-57	7-1-61
BOARD OF CONSERVATION AND DEVELOPMENT [66]			
W. J. Damtoff †	Asheville	6-21-57	6-30-63
Scroop W. Enloe †	Spruce Pine	6-21-57	6-30-63
Charles H. Jenkins †	Aulander	6-21-57	6-30-63
Miles J. Smith †	Salisbury	6-21-57	6-30-63

W. Eugene Simmons †	Tarboro	6-21-57	6-30-63
H. C. Kennett	Durham	6-21-57	6-30-59
Walker Martin	Raleigh	6-21-57	6-30-61
Voit Gilmore	Southern Pines	6-21-57	6-30-63
Lorimer W. Midgett [67]	Elizabeth City	11-15-58	6-30-63

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[58] This commission consists of five members appointed by the governor for four-year terms, and four ex officio members consisting of the director of the Department of Conservation and Development, as chairman, and three members of the Board of Conservation and Development to serve at the governor's pleasure. *P. L., 1939,* Ch. 257.

[59] Succeeded S. Bunn Frink.

[60] Succeeded P. Bruce Bateman.

[61] Twenty members, sixteen appointed by the governor for eight-year terms and four ex officio (the director of the State Department of Archives and History, the state superintendent of public instruction, the mayor of Kinston, and the chairman of the Board of County Commissioners of Lenoir County). *S. L., 1955,* Ch. 977.

[62] Succeeded Mrs. Edwin Pate, resigned.

[63] This agency is composed of three members appointed by the governor, and six ex officio members specified by the General Assembly: the adjutant general of the state of North Carolina and the deputy wing commander, the executive officer, the adjutant, the communication officer, and the co-ordinator of the civil defense of the North Carolina Wing of the Civil Air Patrol. Members serve a term of two years, and vacancies in the appointive membership are filled by the governor, who may also remove any member appointed by him. *G. S.,* Sec. 167-1; *S. L., 1953,* Ch. 1231.

[64] Succeeded James C. Pennington.

[65] Composed of seven members, appointed by the governor: one from the Southport area; one from the New River Inlet area; one from the Morehead area; one from the Pamlico area; one from the Hatteras area; one from the Albemarle area; and one from the state at large, to be designated as chairman. Three members were appointed for four-year terms; two for two years; and two for one year. Thereafter, all appointments were to be for four-year terms. *S. L., 1955,* Ch. 1031.

[66] The 1957 General Assembly authorized the appointment of three additional members to this board, thus enlarging its membership from fifteen to eighteen (plus the director who serves at the will of the governor but not to exceed the term of the governor making the appointment). Members of the board are appointed for six-year terms. Kennett, Martin, and Gilmore, the three additional members under the new law, were appointed for two-, four-, and six-year terms, respectively. *G. S.,* Sec. 113-4, 5, 9; *S. L., 1957,* Ch. 1428.

[67] Succeeded Charles H. Jenkins, deceased.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
SPECIAL PEACE OFFICERS FOR DIVISION OF PARKS, DEPARTMENT OF CONSERVATION AND DEVELOPMENT [68]			
Blaine Ray	Mitchell State Park	4-26-57	At pleasure of the governor
Joshia C. Lamm *	White Lake	5-10-57-58	At pleasure of the governor
James H. McQueen *	White Lake	5-10-57	At pleasure of the governor
Tracy R. Wallace *	White Lake	5-10-57-58	At pleasure of the governor
Buster L. Rinks	White Lake	5-15-57	At pleasure of the governor
Oren D. Henderson	State Park Ranger	1-21-58	At pleasure of the governor
William R. Kirke	State Park Ranger	2-18-58	At pleasure of the governor
James C. Gulledge	State Park Ranger	3-3-58	At pleasure of the governor
Richard H. Siler[69]	State Park Ranger	4-10-58	At pleasure of the governor
Gordon Price	State Park Ranger	4-10-58	At pleasure of the governor
John D. Barnett	State Park Ranger	4-17-58	At pleasure of the governor
Henry T. Hood [70]	White Lake	5-7-58	At pleasure of the governor
Purvis Stevens[71]	White Lake	5-7-58	At pleasure of the governor
Jack W. Little	Park Attendant	6-5-58	At pleasure of the governor
Robert J. Spear	Park Attendant	7-23-58	At pleasure of the governor
Howard W. Sorrell [72]	State Park Ranger	9-10-58	At pleasure of the governor
Raiford F. McKinley	State Park Ranger	10-29-58	At pleasure of the governor
NORTH CAROLINA CONSTITUTIONAL COMMISSION [73]			
Henry P. Brandis	Chapel Hill	10-31-57	Report by December 1, 1958
Victor S. Bryant, *Chairman*	Durham	10-31-57	Report by December 1, 1958
Harry B. Caldwell	Greensboro	10-31-57	Report by December 1, 1958
Claude Currie	Durham	10-31-57	Report by December 1, 1958
W. Ed Gavin	Asheboro	10-31-57	Report by December 1, 1958
Herschel V. Johnson	Charlotte	10-31-57	Report by December 1, 1958
Woodrow Jones	Rutherfordton	10-31-57	Report by December 1, 1958

John H. Kerr, Jr.	Warrenton	10-31-57	Report by December 1, 1958
John J. Parker	Charlotte	10-31-57	Report by December 1, 1958
Charles Aycock Poe	Raleigh	10-31-57	Report by December 1, 1958
Susie Sharp	Reidsville	10-31-57	Report by December 1, 1958
William D. Snider	Greensboro	10-31-57	Report by December 1, 1958
W. Frank Taylor, *Vice-Chairman*	Goldsboro	10-31-57	Report by December 1, 1958
Lindsay C. Warren	Washington	10-31-57	Report by December 1, 1958
Edward F. Yarborough	Louisburg	10-31-57	Report by December 1, 1958
Johnson J. Hayes[74]	North Wilkesboro	4-1-58	Report by December 1, 1958

STATE BOARD OF CORRECTION AND TRAINING[75]

Clyde Auman †	West End	7-11-57	7-1-63
Elton Edwards *	Greensboro	7-11-57	7-1-63
Steed Rollins †	Durham	7-11-57	7-1-63

ADVISORY COMMITTEE ON EDUCATION[76]

Thomas J. Pearsall, *Chairman* *	Rocky Mount	7-3-57	6-21-59
W. Lunsford Crew *	Roanoke Rapids	7-3-57	6-21-59
R. O. Huffman *	Morganton	7-3-57	6-21-59

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[68] These special officers consist of employees designated by the director of the Department of Conservation and Development and commissioned by the governor to serve at his pleasure. *S. L., 1947,* Ch. 577.

[69] Succeeded Leland L. Smith.

[70] Succeeded James H. McQueen.

[71] Succeeded Buster L. Rinks.

[72] Succeeded Haywood L. Dillard.

[73] Fifteen members, authorized by the 1957 General Assembly, to study the state constitution and report by December 1, 1958. *S. L., 1957,* Res. 33.

[74] Succeeded John J. Parker, deceased.

[75] Nine members, appointed by the governor for six-year terms, plus the commisisoner of public welfare who serves ex officio. *G. S.,* Sec. 134-90; *S. L., 1947,* Ch. 226.

[76] Seven members, all appointed by the governor: two from the Senate membership; two from the House membership, and three from the public at large. Terms of office are for two years. *S. L., 1955,* Res. 29.

Name of Appointee	Address	Date Appointed	Date of Expiration
William T. Joyner *	Raleigh	7-3-57	6-21-59
H. Cloyd Philpott *	Lexington	7-3-57	6-21-59
James G. Stikeleather [77]	Asheville	7-3-57	6-21-59
Edward F. Yarborough *	Louisburg	7-3-57	6-21-59
STATE BOARD OF EDUCATION [78]			
Charles W. McCrary *	Asheboro	4-3-57	4-1-65
Charles G. Rose *	Fayetteville	4-3-57	4-1-65
H. L. Trigg †	Raleigh	4-3-57	4-1-65
Guy B. Phillips [79]	Chapel Hill	6-19-57	4-1-61
Charles E. Jordan [80]	Durham	7-3-57	4-1-59
NORTH CAROLINA BOARD OF HIGHER EDUCATION [81]			
Mrs. Thomas R. Easterling *	Rocky Mount	6-10-57	6-30-65
Dallas Herring *	Rose Hill	6-10-57	6-30-65
Elton Aydlett [82]	Elizabeth City	8-28-57	6-30-61
Oliver C. Carmichael [83]	Biltmore	9-30-57	6-30-59
BOARD OF CONTROL FOR THE SOUTHERN REGIONAL COUNCIL FOR EDUCATION [84]			
Charles F. Carroll †	Raleigh	8-14-57	6-30-61
W. Lunsford Crew * [85]	Roanoke Rapids	8-14-57-8	6-30-58-62
STATE BOARD OF ELECTIONS [86]			
B. C. Trotter, *Chairman* [87]	Leaksville	7-11-57	5-1-61
David McConnell [88]	Charlotte	7-11-57	5-1-61
William T. McShane [89]	Hendersonville	7-11-57	5-1-61
Manly Mallard [90]	Trenton	7-11-57	5-1-61
Warren Williams [91]	Sanford	7-11-57	5-1-61

EMPLOYMENT SECURITY COMMISSION [92]

Henry E. Kendall, Chairman †	Raleigh	8-16-57	7-1-61
Crayon C. Efird †	Albemarle	8-16-57	7-1-61
Mrs. Quentin Gregory †	Halifax	8-16-57	7-1-61
Maurice T. Van Hecke [93]	Chapel Hill	8-16-57	7-1-61

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[77] Succeeded William Medford.

[78] This board consists of thirteen members appointed for eight-year terms. There is one representative from each of the eight educational districts, two serve at large, and three members serve ex officio who are: the lieutenant governor, the state treasurer, and the superintendent of public instruction. Appointments are made by the governor and confirmed by the General Assembly in joint session. The Constitution of North Carolina, Art. IX, Sec. 8; *G. S.*, Sec. 115-16.1.

[79] Succeeded Blanford B. Dougherty, deceased.

[80] Succeeded A. S. Brower, resigned.

[81] Nine members, all appointed by the governor and one of whom must be a member of the State Board of Education. Original appointments for two, four, six and eight years. All subsequent appointments for eight years. *S. L., 1955,* Ch. 1186.

[82] Succeeded William F. Womble, resigned.

[83] Succeeded E. L. White, resigned.

[84] The North Carolina membership of this board originally consisted of the governor, who serves ex officio during his tenure of office, and three additional members appointed by the governor for four-year terms, at least one of these to be chosen from the field of education. The 1957 General Assembly increased the number of appointive members to four, "at least one of whom shall be selected from the field of education, and at least one of whom shall be a member of the legislature." *S. L., 1949,* Res. 26; *S. L., 1957,* Res. 27.

[85] Appointed under the new law on August 14, 1957, and reappointed for a four-year term on June 16, 1958.

[86] Five members appointed by the governor for four-year terms. Not more than three of the members may be of the same political party. *G. S.*, Sec. 173-8.

[87] Succeeded J. Hampton Price.

[88] Succeeded H. A. Mattox.

[89] Succeeded J. E. Hill.

[90] Succeeded J. E. Holshouser.

[91] Succeeded John G. Dawson.

[92] Seven members appointed by the governor for four-year terms. The governor designates the chairman. *G. S.*, Sec. 96-3.

[93] Succeeded Harry D. Wolf.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
FLUE-CURED TOBACCO COOPERATIVE STABILIZATION CORPORATION BOARD OF TRUSTEES [94]			
E. Y. Floyd †	Raleigh	7-9-57	7-1-60
GENERAL STATUTES COMMISSION [95]			
James H. Pou Bailey *	Raleigh	6-10-57	6-1-59
Buxton Midyette †	Jackson	6-10-57	6-1-59
STATE BOARD OF HEALTH [96]			
Zeno L. Edwards, Sr.[97]	Washington	7-12-57	5-1-61
Lenox D. Baker *	Durham	8-13-57	5-1-61
Mrs. J. E. Latta †	Hillsboro	8-13-57	5-1-61
STATE HIGHWAY COMMISSION [98]			
William T. Joyner, *Chairman*	Raleigh	7-1-57	6-30-61
Fletcher Gregory	Weldon	7-1-57	6-30-61
Ralph Howland	Elkin	7-1-57	6-30-61
E. L. White	Wilmington	7-1-57	6-30-61
Robert Bunnelle	Asheville	7-1-57	6-30-59
Cutlar Moore	Lumberton	7-1-57	6-30-59
Lee White	Concord	7-1-57	6-30-59
J. Melville Broughton, Jr., *Chairman*[99]	Raleigh	10-23-57	6-30-61
James W. Mason[100]	Laurinburg	4-10-58	6-30-59
DIRECTOR OF HIGHWAYS			
Willard F. Babcock	Raleigh	7-1-57	6-30-62
CONTROLLER			
G. Ervin Dixon	Raleigh	7-1-57	6-30-62

NORTH CAROLINA HOSPITALS BOARD OF CONTROL [101]

William P. Kemp * [102]	Goldsboro	6-19-57	4-1-58-62
Mrs. Reba Gavin †	Kenansville	6-19-57	4-1-61
H. W. Kendall †	Greensboro	6-19-57	4-1-61
J. F. Strickland [103]	Durham	6-19-57	4-1-61
Yates Plummer †	Valdese	6-19-57	4-1-61
David W. Royster †	Shelby	6-19-57	4-1-61
Kelly E. Bennett [104]	Bryson City	6-19-57	4-1-61
I. D. Thorpe[105]	Rocky Mount	11-5-57	4-1-59

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[94] One member of this board is appointed by the director of agricultural extension or any other public official or commission, in this case the governor. *G. S.*, Sec. 54-146 (b).

[95] Nine members appointed for two-year terms as follows: one each by the presidents of the North Carolina State Bar and North Carolina Bar Association; one each by the deans of the Law Schools of Duke, Wake Forest, and the University of North Carolina, one each by the president of the Senate and the speaker of the House of Representatives of the General Assembly, and two by the governor. *G. S.*, Sec. 164-14 (a).

[96] Composed of nine members serving terms of four years, five of whom are appointed by the governor and four of whom are elected by the North Carolina Medical Society. *G. S.*, Sec. 130-1, 7.

[97] Succeeded A. C. Current.

[98] Created by the 1957 General Assembly to replace the State Highway and Public Works Commission. The new commission consists of seven members appointed by the governor. Of the initial appointments, four were for four years and three were for three years. Thereafter all appointments would be for four years. The governor designates one member to be chairman for two years. The director is appointed by the commission subject to the approval of the governor, initially for five years and thereafter for four years. The controller is appointed by the director subject to approval by the commission and the governor, initially for five years and thereafter for four years. *S. L., 1957*, Ch. 65.

[99] Succeeded William T. Joyner, resigned.

[100] Succeeded Cutlar Moore, resigned.

[101] Consists of fifteen members appointed by the governor for four-year terms. There must be one member from each of the twelve Congressional districts and three at large. The institutions combined under this board are: The State Hospital, Raleigh; the State Hospital, Morganton; the State Hospital, Goldsboro; the State Hospital, Butner; and the Caswell Training School, Kinston. *G. S.*, Sec. 122-7; *S. L., 1943*, Ch. 136; *S. L., 1945*, Ch. 925; *S. L., 1947*, Ch. 537.

[102] Succeeded Thomas O'Berry, deceased; reappointed for four-year term on April 21, 1958.

[103] Succeeded Warren Williams.

[104] Succeeded John T. Rodgers.

[105] Succeeded J. Melville Broughton.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
N. Cortez Green *	Williamston	4-21-58	4-1-62
Wayland Spruill †	Windsor	4-21-58	4-1-62
EASTERN CAROLINA REGIONAL HOUSING AUTHORITY [106]			
Martin Lee Black, Jr.[107]	Durham	5-5-58	4-10-60
NORTH CAROLINA INDUSTRIAL COMMISSION [108]			
R. Brookes Peters[109]	Raleigh	1-3-57	5-1-61
J. W. Bean, *Chairman* †	Spencer	8-15-57	5-1-63
INSURANCE ADVISORY BOARD [110]			
W. H. Andrews, Jr.†	Greensboro	9-5-57	9-1-61
Henry E. Bray[111]	Providence	9-5-57	9-1-61
L. M. Buchanan †	Greenville	9-5-57	9-1-61
JUDICIAL COUNCIL [112]			
Fred B. Helms[113]	Charlotte	7-12-57	6-2-59
Howard Hubbard [114]	Clinton	7-12-57	6-2-59
JOHN H. KERR RESERVOIR DEVELOPMENT COMMISSION [115]			
J. C. Cooper, Sr.†	Henderson	7-11-57	7-26-63
Tom Harrington, Sr.[116]	Henderson	7-11-57	7-26-63
N. Warren Weldon †	Stovall	7-11-57	7-26-63
James H. Gray, Sr.[117]	Robersonville	2-4-58	7-26-61
W. R. Lawrence[118]	Colerain	4-1-58	7-26-61
W. Eugene Simmons[119]	Tarboro	11-26-58	6-30-63
BOARD OF COMMISSIONERS OF THE LAW ENFORCEMENT OFFICERS' BENEFIT AND RETIREMENT FUND [120]			
W. Bowman Sanders[121]	Burlington	6-9-58	At pleasure of the governor

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[106] If the area of a regional housing authority consists at any time of an even number of counties, the governor of North Carolina shall appoint one additional commissioner to such regional housing authority, whose term of office shall be for five years, except that such term shall end at any earlier time that the area of operation shall be changed to consist of an odd number of counties. *G. S.,* Sec. 157-36.

[107] Succeeded Roland O. Dail, resigned.

[108] Three members, including the chairman, appointed by the governor for six-year terms. *G. S.,* Sec. 97-77.

[109] Succeeded Frank H. Gibbs, resigned.

[110] The board is composed of seven members, six of whom are appointed by the governor and one of whom, the commissioner of insurance, is an ex officio member and chairman. Appointments and reappointments are for four-year terms. The governor appoints members to fill any unexpired term of office, and may remove members when he feels the public interest requires such action. *G. S.,* Sec. 58-27, 1.

[111] Succeeded D. M. Woodard, Jr.

[112] This council consists of twelve members, two of whom are appointed by the governor. There are four members appointed by the Council of the North Carolina State Bar, one appointed by the speaker of the House, and one by the president of the Senate. Ex officio members are: the chief justice, or some other member of the Supreme Court, who serves as chairman; two judges of the Supreme Court, who are designated by the chief justice, and the attorney general. The term of the chief justice extends through his term of office if he designates no other member of the Supreme Court; the attorney general serves during his term of office, and all other members serve for terms of two years. *G. S.,* Sec. 7-448, 449, 451.

[113] Succeeded Carl L. Bailey.

[114] Succeeded David McConnell.

[115] Originally called Buggs Island Development Commission; name changed to John H. Kerr Reservoir Development Commission in 1953. The commission consists of ten members, seven of whom are appointed by the governor from the general public and three of whom are ex officio members, also appointed by the governor from the membership of the North Carolina Recreation Commission, the Wildlife Resources Commission, and the Board of Conservation and Development, respectively. The seven regular members serve for terms of six years each. The three ex officio members serve only during their terms of office in the respective commissions which they represent. *G. S.,* Sec. 143-284; *S. L., 1953,* Ch. 1312.

[116] Succeeded D. A. Simmons.

[117] Succeeded Don Matthews, Jr., resigned.

[118] Succeeded James H. Gray, Sr., resigned.

[119] Succeeded Charles H. Jenkins, deceased, as representative of the Board of Conservation and Development.

[120] Seven members, four of whom are appointed by the governor to serve at his pleasure and three of whom are ex officio (the state auditor, the state treasurer, and state insurance commissioner). Of the four appointive members, one must be a sheriff, one a police officer, one from law enforcement officers employed by the state, and one from the public at large. *G. S.,* Sec. 143-166.

[121] Succeeded B. Everett Jordan, resigned to become United States Senator.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
BOARD OF TRUSTEES OF THE NORTH CAROLINA STATE LIBRARY[122]			
Paul S. Ballance *	Winston-Salem	7-10-57	7-1-63
Roy B. McKnight *	Charlotte	7-10-57	7-1-63
Mrs. Mary Trent Semans[123]	Durham	9-30-57	7-1-61
LOCAL GOVERNMENT COMMISSION[124]			
S. Preston Douglas †	Lumberton	8-26-58	9-1-60
C. W. Roberts †	Leaksville	8-26-58	9-1-60
NORTH CAROLINA MEDICAL CARE COMMISSION[125]			
J. Street Brewer †	Roseboro	8-16-57	7-1-61
James H. Clark †	Elizabethtown	8-16-57	7-1-61
Paul F. Whitaker †	Kinston	8-16-57	7-1-61
Marshall I. Pickens †	Charlotte	8-19-57	7-1-61
W. M. Rich †	Durham	8-19-57	7-1-61
Mrs. Worth Yount[126]	Granite Falls	8-19-57	7-1-61
Eugene Shaw[127]	Greensboro	5-5-58	7-1-61
J. B. Clemence *	Salisbury	7-3-58	7-1-62
E. C. Daniel †	Zebulon	7-3-58	7-1-62
Mrs. Margaret B. Dolan[128]	Chapel Hill	7-3-58	7-1-62
Harry L. Johnson †	Elkin	7-3-58	7-1-62
ADVISORY COUNCIL TO THE NORTH CAROLINA MEDICAL CARE COMMISSION[129]			
Joe M. Cox[130]	Laurinburg	8-13-57	7-1-61
G. T. Fulghum[131]	Wilson	8-13-57	7-1-61
Claude F. Gaddy †	Raleigh	8-13-57	7-1-61
Fred Hubbard †	North Wilkesboro	8-13-57	7-1-61

James P. Richardson †	Charlotte	8-13-57	7-1-61
James W. Murdoch[132]	Raleigh	8-16-57	7-1-61
Eugene A. Hargrove[133]	Raleigh	10-1-58	7-1-61

MERIT SYSTEM COUNCIL [134]

Charles Wade[135]	Winston-Salem	7-5-57	4-8-63
J. O. Wells[136]	Pisgah Forest	7-5-57	4-8-63

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[122] Eight members, six of whom are appointed by the governor and two of whom are ex officio (the state superintendent of public instruction and the librarian of the University of North Carolina). The governor's appointees serve for six years. *G. S.*, Sec. 125-29; *S. L., 1955*, Ch. 505.

[123] Succeeded Charles E. Jordan, resigned.

[124] Nine members, five of whom are appointed by the governor for two-year terms, and four of whom are ex officio (the state treasurer, the state auditor, the secretary of state, and the commissioner of revenue). *G. S.*, Sec. 159-3.

[125] Twenty members, of whom ten are appointed by the governor, eight are nominated by the various medical associations for appointment by the governor, and two are ex officio (the state health officer and the commissioner of public welfare). Of those nominated by the medical associations, three are from the North Carolina Medical Society, one from the North Carolina Hospital Association, one from the North Carolina Dental Society, one from the North Carolina Nurses Association, one from the North Carolina Pharmaceutical Association, and one from the Duke Foundation. Terms of office are four years. *G. S.*, Sec. 131-117.

[126] Succeeded Walter L. Jackson, deceased.

[127] Succeeded James H. Clark, resigned.

[128] Succeeded Flora Wakefield.

[129] Five members appointed by the governor for four-year terms. *G. S.*, Sec. 131-120; *S. L., 1945*, Ch. 1096.

[130] Succeeded James G. Stikeleather.

[131] Appointed to succeed David A. Young but did not qualify.

[132] Succeeded G. T. Fulghum.

[133] Succeeded James W. Murdoch. deceased.

[134] The council is composed of five members appointed by the governor for six-year terms. No member shall have held political office or have been an officer in a political organization during the year preceding his appointment, nor shall he hold such office during his term. *G. S.*, Sec. 126-1.

[135] Succeeded Warren P. Carr.

[136] Succeeded Mrs. J. V. Whitfield.

Name of Appointee	Address	Date Appointed	Date of Expiration
NORTH CAROLINA MILK COMMISSION[137]			
Fred M. Eagles †	Wilson	11-13-57	8-6-61
D. L. Paul[138]	New Bern	11-13-57	8-6-61
Oliver A. Swaringen †	Concord	11-13-57	8-6-61
Mark Goforth[139]	Lenoir	8-26-58	8-6-62
NORTH CAROLINA MILK PRODUCERS COOPERATIVE, INC.[140]			
J. H. Hundley †	Norlina	2-4-58	2-8-61
COMMISSION TO STUDY THE OPERATION OF MOTORBOATS ON THE WATERS OF THE STATE[141]			
Sidney D. Britt	Bladenboro	11-8-57	Report to 1959 General Assembly
Ralph Earle	Durham	11-8-57	Report to 1959 General Assembly
Wayland Sermons	Washington	11-8-57	Report to 1959 General Assembly
COMMISSION TO STUDY THE PROBLEMS OF MUNICIPAL GOVERNMENT[142]			
Calvin Graves	Winston-Salem	9-26-57	Report to 1959 General Assembly
James W. Mason	Laurinburg	9-26-57	Report to 1959 General Assembly
Benjamin H. Sumner	Spindale	9-26-57	Report to 1959 General Assembly
Ernest L. Hicks	Charlotte	9-26-57	Report to 1959 General Assembly
Joseph M. Hunt, Jr.	Greensboro	9-26-57	Report to 1959 General Assembly
H. P. Taylor, Jr.	Wadesboro	9-26-57	Report to 1959 General Assembly
Joe A. Watkins	Oxford	9-26-57	Report to 1959 General Assembly
J. Raynor Woodard	Conway	9-26-57	Report to 1959 General Assembly
Frank M. Wooten, Jr.	Greenville	9-26-57	Report to 1959 General Assembly
Frank Patton Cooke[143]	Gastonia	5-16-58	Report to 1959 General Assembly
NORTH CAROLINA NATIONAL GUARD ADVISORY BOARD[144]			
Grover H. Bradley	Forest City	1-8-58	12-31-60
Kenneth M. Corbett	Wilmington	1-8-58	12-31-60

NORTH CAROLINA NATIONAL PARK, PARKWAY, AND FOREST DEVELOPMENT COMMISSION [145]

Frank H. Brown, Jr. †	Cullowhee	8-8-57	7-1-63
Ralph Winkler †	Boone	8-8-57	7-1-63

BOARD OF COMMISSIONERS OF NAVIGATION AND PILOTAGE FOR THE CAPE FEAR RIVER[146]

Louis A. Hanson, *Chairman* †	Wilmington	7-8-57	4-15-61
R. W. Cantwell †	Wilmington	7-8-57	4-15-61
H. S. McGirt †	Wilmington	7-8-57	4-15-61
M. R. Sanders †	Southport	7-8-57	4-15-61
R. M. Williams †	Wilmington	7-8-57	4-15-61

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[137] The commission consists of nine members, eight of whom are appointed by the governor. The members represent: a producer, a producer-distributor, two distributors, three representatives of public interests, a retailer, and the ninth member is the commissioner of agriculture. Terms of office of the appointed members are for four years. *G. S.*, Sec. 106-266.7; *S. L., 1953*, Ch. 1338; *S. L., 1955*, Ch. 406.

[138] Succeeded John Burn.

[139] Succeeded J. E. Wilson.

[140] The affairs of the association shall be managed by a board of not less than five directors elected by the members from their own number, and one or more directors appointed by the director of agricultural extension or any other public official or commission. *G. S.*, Sec. 54-146 (b).

[141] Three members appointed by the governor to study and make recommendations to the 1959 General Assembly. *S. L., 1957*, Res. 38.

[142] Nine members, six of whom were nominated by the speaker of the House of Representatives and three of whom were nominated by the president of the Senate; appointed by the governor to study and report to the 1959 General Assembly. *S. L., 1957*, Res. 51.

[143] Succeeded James W. Mason, resigned.

[144] This board is composed of the adjutant general, the general officers of the active National Guard, and two other members of the active National Guard appointed by the governor for two-year terms. *S. L., 1957*, Ch. 136.

[145] The commission is composed of seven members appointed by the governor for terms of six years. In addition, there are two ex officio members as follows: the chairman of the State Highway and Public Works Commission and the director of the Department of Conservation and Development. *G. S.*, Sec. 143-255, 256.

[146] Five members appointed by the governor for four-year terms. *G. S.*, Sec. 76-1.

Name of Appointee	Address	Date Appointed	Date of Expiration
COMMISSION ON THE STUDY OF NURSING HOMES AND BOARDING HOMES[147]			
Frank R. Hutton, *Chairman*	Greensboro	11-6-57	Report to 1969 General Assembly
Mrs. L. E. Barnes	Henderson	11-6-57	Report to 1969 General Assembly
Paul Butler	Southern Pines	11-6-57	Report to 1969 General Assembly
Kern E. Church	Raleigh	11-6-57	Report to 1969 General Assembly
Willard Farrow	Charlotte	11-6-57	Report to 1969 General Assembly
BOARD OF PAROLES[148]			
George W. Randall, *Chairman* *	Mooresville	6-21-57	7-1-61
W. A. Brame †	Wendell	6-23-58	7-1-62
STATE PERSONNEL COUNCIL[149]			
Earl Crump †	Durham	7-11-57	7-1-61
John Harden †	Greensboro	7-11-57	7-1-61
R. B. Justice *	Enka	7-11-57	7-1-61
NORTH CAROLINA COMMISSION ON EMPLOY THE PHYSICALLY HANDICAPPED[150]			
E. C. Hemingway[151]	Winston-Salem	2-21-57	At pleasure of the governor
NORTH CAROLINA PORTS AUTHORITY[152]			
Kirkwood F. Adams[153]	Roanoke Rapids	10-31-57	6-1-61
William G. Clark, Jr.[154]	Tarboro	10-31-57	6-1-61
Collier Cobb, Jr.[155]	Chapel Hill	10-31-57	6-1-61
Robert L. Eichelberger[156]	Biltmore Forest	10-31-57	6-1-61
Charles D. Gray, Sr.[157]	Gastonia	10-31-57	6-1-61
Earl N. Phillips[158]	High Point	10-31-57	6-1-61
John M. Reeves[159]	Pinehurst	10-31-57	6-1-61

STATE PRISON COMMISSION [160]

Linn D. Garibaldi, *Chairman*	Matthews	6-21-57	6-30-61
Mrs. J. Melville Broughton	Raleigh	6-21-57	6-30-61
M. B. Davis	High Point	6-21-57	6-30-61
W. W. Shope	Weaverville	6-21-57	6-30-61
T. R. Eller	Brevard	6-21-57	6-30-59
Edgar Gurganus	Williamston	6-21-57	6-30-59
William McGehee	Leaksville-Spray	6-21-57	6-30-59

DIRECTOR OF PRISONS

William F. Bailey	Raleigh	7-1-57	7-1-62

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[147] Seven members, of whom five were appointed by the governor and two were ex officio (the commissioner of public welfare and the chairman of the North Carolina Medical Care Commission); to study and report to the 1959 General Assembly. The governor was authorized to select one of the appointive members as chairman of the commission. *S. L., 1957,* Res. 50.

[148] Three members appointed by the governor for four-year terms. *G. S.,* 148-52; *S. L., 1953,* Ch. 17; *S. L., 1955,* Ch. 867.

[149] The council consists of five members appointed by the governor for terms of four years each. At least one member is to be chosen from the field of personnel administration who is not an employee of the state, at least one member is to be engaged in the management of private business or industry, and not more than one member is to be chosen from the employees of the state. *G. S.,* Sec. 143-35 (2); *S. L., 1953,* Ch. 1085.

[150] Ten members, of whom seven are appointed by the governor to serve at his pleasure and three (the director of rehabilitation, the director of the Employment Security Commission, and the commissioner of labor) are ex officio). *S. L., 1953,* Ch. 1224.

[151] Succeeded W. L. McMillan.

[152] Seven members appointed by the governor for four-year terms. *G. S.,* Sec 143-216; *S. L., 1953,* Ch. 191.

[153] Succeeded Raymond Bryan.

[154] Succeeded Harold E. Coffey.

[155] Succeeded Harvey W. Moore.

[156] Succeeded Edwin Pate.

[157] Succeeded Henry A. Lineberger.

[158] Succeeded W. Avery Thompson.

[159] Succeeded J. Harry White.

[160] Created by the 1957 General Assembly for the purpose of separating the prison system from the State Highway and Public Works Commission. The new prison commission consists of seven members appointed by the governor. Of the initial appointments, three were for two years and four for four years. Thereafter, all appointments would be for four-year terms. The governor designates one of the members of the commission as chairman. The director of prisons is appointed by the commission subject to the approval of the governor, initially for five years and thereafter for a four-year term. *S. L., 1957,* Ch. 349.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
SPECIAL OFFICERS, PRISON DEPARTMENT[161]			
Raymond Hayes	Franklinton	7-8-57	At will of the governor
Hal E. Rericha	Raleigh	2-12-58	At will of the governor
Clinton D. Vernon[162]	Raleigh	10-29-58	At will of the governor
Andrew J. Wilson	Durham	10-29-58	At will of the governor
Eugene G. Chamblee	Louisburg	12-3-58	At will of the governor
STATE PROBATION COMMISSION[163]			
Clifton L. Moore[164]	Burgaw	8-8-57	5-28-62
Clarence H. Patrick[165]	Winston-Salem	8-8-57	5-28-60
L. Richardson Preyer[166]	Greensboro	9-11-57	5-28-61
Don Gilliam[167]	Tarboro	10-31-57	5-28-58
W. Jack Hooks[168]	Kenly	7-3-58	5-28-63
Martin Harmon[169]	Kings Mountain	7-16-58	5-28-59
DIRECTOR OF PROBATION			
Basil L. Sherrill[170]	Gastonia	11-3-58	
NORTH CAROLINA COMMITTEE FOR THE STUDY OF PUBLIC SCHOOL FINANCE[172]			
Lloyd C. Amos	Greensboro	11-13-57	Report by November 15, 1958
H. Clifton Blue	Aberdeen	11-13-57	Report by November 15, 1958
Cecil W. Gilchrist	Charlotte	11-13-57	Report by November 15, 1958
Mrs. Charles Graham	Linwood	11-13-57	Report by November 15, 1958
George Watts Hill, Jr.	Durham	11-13-57	Report by November 15, 1958
O. Arthur Kirkman	High Point	11-13-57	Report by November 15, 1958
H. A. Mattox	Murphy	11-13-57	Report by November 15, 1958
Faison W. McGowen	Kenansville	11-13-57	Report by November 15, 1958
Stacy Weaver	Fayetteville	11-13-57	Report by November 15, 1958

STATE BOARD OF PUBLIC WELFARE[173]

E. H. Evans †	Laurinburg	6-10-57	4-1-63
Mrs. Robert E. Stratford †	Haw River	6-10-57	4-1-63

NORTH CAROLINA RECREATION COMMISSION[174]

W. D. James[175]	Hamlet	6-21-57	7-1-59
Charles McCullers †	Kinston	7-1-57	7-1-61

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[161] The governor is authorized to appoint officers for the purpose of transferring prisoners from place to place in the state, said officers to be commissioned specifically or generally to return escaped prisoners or other fugitives from outside the state. *G. S.* Sec. 148-4.

[162] Succeeded Raymond Hayes.

[163] Five members appointed by the governor for five-year terms, one member's term expiring each year. The director is appointed by the commission with the approval of the governor. *G. S.*, Sec. 15-201.2.

[164] Succeeded John S. Bradway.

[165] Succeeded Allen Langston, resigned.

[166] Succeeded Henry A. Grady, resigned.

[167] Succeeded Wilson Warlick, resigned.

[168] Succeeded Don Gilliam, resigned.

[169] Succeeded C. B. Holding, resigned.

[170] Succeeded J. D. Beaty, retired.

[172] Nine members appointed by the governor to study and make recommendations not later than November 15, 1958. *S. L., 1957,* Res. 45.

[173] Seven members, at least one of whom must be a woman, appointed by the governor for six-year terms. The governor designates the chairman. *G. S.*, Sec. 108-1; *S. L., 1945,* Ch. 43.

[174] The commission is composed of eleven members, seven of whom are appointed by the governor for terms of four years and four of whom are ex officio as follows: the governor, the superintendent of public instruction, the commissioner of public welfare, and the director of the Department of Conservation and Development. Vacancies are filled by the governor for the duration of unexpired terms. *G. S.*, Sec. 143-207.

[175] Succeeded Roscoe McMillan.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
Ralph F. Johnson[176]	Gastonia	7-14-58	7-1-62
R. W. Watkins †	Boone	7-14-58	7-1-62
NORTH CAROLINA RECREATION COMMISSION ADVISORY COMMITTEE[177]			
Charles Milner, *Chairman*[178]	Chapel Hill	9-9-57	7-1-59
Ruth Current †	Raleigh	9-9-57	7-1-59
Taylor Dodson[179]	Winston-Salem	9-9-57	7-1-59
Harold J. Dudley †	Raleigh	9-9-57	7-1-59
W. G. Enloe[180]	Raleigh	9-9-57	7-1-59
O. A. Fetch †	Fontana Village	9-9-57	7-1-59
Fred Fletcher†	Raleigh	9-9-57	7-1-59
Mrs. Josephine Gallagher[181]	Charlotte	9-9-57	7-1-59
Carlton Garrett †	Elizabeth City	9-9-57	7-1-59
J. B. Gillette[182]	Wilson	9-9-57	7-1-59
Marse Grant [183]	Thomasville	9-9-57	7-1-59
Lloyd B. Hathaway †	Winston-Salem	9-9-57	7-1-59
Montgomery Hill	Greensboro	9-9-57	7-1-59
Irvin Holmes †	Durham	9-9-57	7-1-59
Mrs. Maurice Honigman †	Gastonia	9-9-57	7-1-59
Mrs. Miles A. Hughey †	Raleigh	9-9-57	7-1-59
Edgar Johnson *	Weaverville	9-9-57	7-1-59
C. Walton Johnson †	Winston-Salem	9-9-57	7-1-59
Ralph Johnson †	Gastonia	9-9-57	7-1-59
Edwin S. Lanier[185]	Chapel Hill	9-9-57	7-1-59
Ottis Mabe[186]	Greensboro	9-9-57	7-1-59
Blaine M. Madison[187]	Raleigh	9-9-57	7-1-59

Lucy Morgan *	Penland	9-9-57	7-1-59
John Parris[188]	Sylva	9-9-57	7-1-59
Frank Pierson[189]	Durham	9-9-57	7-1-59
I. E. Ready †	Roanoke Rapids	9-9-57	7-1-59
Samuel Selden †	Chapel Hill	9-9-57	7-1-59
Ray Smith[190]	Roanoke Rapids	9-9-57	7-1-59
William Smith[191]	Raleigh	9-9-57	7-1-59
Mrs. Mildred Southern[192]	Raleigh	9-9-57	7-1-59
Mrs. Nancy Stamey[193]	Raleigh	10-21-58	7-1-59
Donald Capstick[194]	Raleigh	10-21-58	7-1-59

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[176] Succeeded Max A. Parrish.

[177] Thirty members appointed by the governor for two-year terms. The governor designates the chairman. *G. S.*, Sec. 143-210.

[178] Succeeded Russell Grumman.

[179] Succeeded Dorothy Davis.

[180] Succeeded J. R. Townsend.

[181] Succeeded Augusta Barnett.

[182] Succeeded H. C. Hawn.

[183] Succeeded Holt McPherson.

[184] Succeeded B. G. Brooks.

[185] Succeeded John W. Fox.

[186] Succeeded Alice Suiter.

[187] Succeeded Charles G. Bennett.

[188] Succeeded William Stronach.

[189] Succeeded E. Frank Ruble.

[190] Succeeded R. Quillen Ward.

[191] Succeeded L. J. Perry.

[192] Succeeded Mrs. Joy Kirschner.

[193] Succeeded Samuel Selden, resigned.

[194] Succeeded Ralph Johnson, resigned to become member of the Recreation Commission.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
COMMISSION ON REORGANIZATION OF STATE GOVERNMENT[195]			
David Clark	Lincolnton	10-1-57	Report to governor by November 15, 1958
Shearon Harris	Albemarle	10-1-57	Report to governor by November 15, 1958
Addison Hewlett, Jr.	Wilmington	10-1-57	Report to governor by November 15, 1958
Richard G. Long	Roxboro	10-1-57	Report to governor by November 15, 1958
Robert F. Morgan	Shelby	10-1-57	Report to governor by November 15, 1958
H. Cloyd Philpott	Lexington	10-1-57	Report to governor by November 15, 1958
George R. Uzzell	Salisbury	10-1-57	Report to governor by November 15, 1958
W. W. Wall	Marion	10-1-57	Report to governor by November 15, 1958
Thomas J. White	Kinston	10-1-57	Report to governor by November 15, 1958
COMMISSION FOR THE STUDY OF THE REVENUE STRUCTURE OF THE STATE[196]			
Dal Alford, Jr.	Rocky Mount	10-31-57	Report to next General Assembly
A. K. Barrus	Kinston	10-31-57	Report to next General Assembly
Brandon P. Hodges	Canton	10-31-57	Report to next General Assembly
W. H. Holderness	Greensboro	10-31-57	Report to next General Assembly
Harold Myrick	Lincolnton	10-31-57	Report to next General Assembly
Frank S. Pittman	Scotland Neck	10-31-57	Report to next General Assembly
D. W. Royster	Shelby	10-31-57	Report to next General Assembly

R. Flake Shaw	Greensboro	10-31-57	Report to next General Assembly
J. A. Speight	Windsor	10-31-57	Report to next General Assembly
Alonzo C. Edwards[197]	Hookerton	11-27-57	Report to next General Assembly
Joseph C. Eagles, Jr.	Wilson	1-8-58	Report to next General Assembly

ROANOKE ISLAND HISTORICAL ASSOCIATION BOARD OF DIRECTORS[199]

C. Alden Baker[200]	Elizabeth City	10-22-57	12-1-59
Bruce E. Whitaker[201]	Murfreesboro	12-21-58	12-1-59

NORTH CAROLINA RURAL ELECTRIFICATION AUTHORITY[202]

Cutlar Lee Ballance †	St. Pauls	7-8-57	6-5-61
Harry L. Mintz, Jr.[203]	Shallotte	7-8-57	6-5-61
Glenn Palmer †	Clyde	7-8-57	6-5-61
Gwyn B. Price †	Raleigh	7-8-57	6-5-61
Marie Haigwood †	Yadkinville	10-31-57	4-1-61

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[195] Successor to a commission authorized for the same purpose by the 1955 General Assembly; nine members appointed by the governor to study and make recommendations to him on or before November 15, 1958. *S. L., 1957,* Res. 47.

[196] Successor to a similar commission authorized by the 1955 General Assembly; nine members appointed by the governor, to study and report to the 1959 General Assembly. *S. L., 1957,* Res. 41.

[197] Succeeded R. Flake Shaw, deceased.

[198] Succeeded Brandon P. Hodges, deceased.

[199] The twenty-one members of this board are elected by the members of the association at regular meetings every two years. Vacancies are filled by the governor. *G. S.,* Sec. 143-200.

[200] Succeeded M. Keith Fearing, Sr., deceased.

[201] Succeeded C. Sylvester Green, resigned.

[202] Composed of six members appointed by the governor for four-year terms. *G. S.,* Sec. 117-1.

[203] Succeeded George R. Hughes.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
NORTH CAROLINA RURAL REHABILITATION CORPORATION [204]			
Dudley W. Bagley[205]	Moyock	6-21-57	11-19-59
Ira O. Schaub †	Raleigh	11-8-57	11-19-60
Fred E. Harris †	Bailey	12-11-58	11-19-61
W. P. Morris [206]	Jackson	12-11-58	11-19-61
SALT MARSH MOSQUITO STUDY COMMISSION [207]			
C. B. Davis *	Wilmington	9-17-57	To report to next General Assembly
W. W. Johnson *	Manteo	9-17-57	To report to next General Assembly
Charles J. McCotter *	Bayboro	9-17-57	To report to next General Assembly
Edward McKinley *	Morehead City	9-17-57	To report to next General Assembly
ADVISORY COMMITTEE OF THE SOUTHEASTERN INTERSTATE FOREST FIRE PROTECTION COMPACT [208]			
Roy Rowe, *Senate*[209]	Burgaw	8-10-57	Term indefinite
Staton P. Williams, *Senate Alternate*[210]	Albemarle	8-10-57	Term indefinite
Charles B. McCrary, *House*[211]	Waynesville	8-13-57	Term indefinite
James C. Gaither, *House Alternate*[212]	Brevard	8-13-57	Term indefinite
STATE STREAM SANITATION COMMITTEE [213]			
Walter Clark *	Lincolnton	6-10-57	7-11-63
J. Vivian Whitfield †	Burgaw	6-10-57	7-11-63
T. B. Upchurch, Jr.[214]	Raeford	8-28-57	7-11-63
BOARD OF TRUSTEES OF THE NORTH CAROLINA SYMPHONY SOCIETY, INCORPORATED [215]			
J. Spencer Love †	Greensboro	6-10-57	3-10-61
Mrs. H. E. Latham [216]	Rose Hill	6-21-57	3-10-61

BOARD OF TRUSTEES, TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM [217]

Clyde W. Gordon †	Burlington	6-21-57	4-5-61

NORTH CAROLINA TEXTBOOK COMMISSION [218]

Mrs. Carrie P. Abbot †	Bryson City	10-31-57	4-1-61
Claire Freeman[219]	Raleigh	10-31-57	4-1-61

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[204] Nine members, five of whom are appointed by the governor for three-year terms. The remaining four members serve ex officio and are: the commissioner of agriculture, the director of the Co-operative Agricultural Extension Service of North Carolina State College, the director of the Division of Vocational Education, State Department of Public Instruction, and the North Carolina state director, Farmers Home Administration, U. S. Department of Agriculture, *G. S.*, Sec. 137-31.3; *S. L., 1953*, Ch. 724.

[205] Succeeded Arthur D. Williams, deceased.

[206] Succeeded Gaston Small.

[207] Seven members, four appointed by the governor and three ex officio (one appointed by the state health officer, one by the director of the Department of Conservation and Development, and one by the director of the Wildlife Resources Commission). To report through the governor to the 1959 General Assembly. Authorized by the 1955 General Assembly and reauthorized by the 1957 General Assembly. *S. L., 1955*, Ch. 1197; *S. L., 1957*, Ch. 831.

[208] Consists of one member and one alternate from the State Senate, and one member and one alternate from the House of Representatives, and two others, one of whom shall be associated with forestry or forestry products industries. All are appointed by the governor for indefinite terms, but presumably from one General Assembly to the next. *S. L., 1955*, Ch. 803.

[209] Succeeded Arthur W. Williamson.

[210] Succeeded Edward L. Owens.

[211] Succeeded J. Paul Wallace.

[212] Succeeded Jack R. Rogers.

[213] A permanent committee within the State Board of Health originally consisting of eight members, of whom six were appointed by the governor for six-year terms. The 1957 General Assembly increased the membership to nine, of whom seven were to be appointed by the governor. *G. S.*, Sec. 143-213; *S. L., 1957*, Ch. 992.

[214] Additional member appointed under the new law.

[215] The board of trustees consists of not less than sixteen members, of whom four are named by the governor for four-year terms, ten are chosen by the North Carolina Symphony Society, and two serve ex officio as follows: the governor, and the superintendent of public instruction. *G. S.*, Sec. 140-6; *S. L., 1943*, Ch. 755; *S. L., 1947*, Ch. 1049.

[216] Succeeded Mrs. J. Melville Broughton.

[217] The board is composed of eight members, six of whom are appointed by the governor with the consent of the Senate for four-year terms, and two of whom are ex officio as follows: the superintendent of public instruction and the state treasurer who is ex officio chairman. One appointee of the governor must be a member of the teaching profession, one must be an employee of the State Highway and Public Works Commission, and one a state employee. The remaining members must not be of the teaching profession or state employees. *G. S.*, Sec. 135-6; *S. L., 1947*, Ch. 259.

[218] Twelve members appointed for four-year terms by the governor and the superintendent of public instruction. *S. L., 1945*, Ch. 707.

[219] Succeeded Mrs. Mary P. Brantley.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
Sarah E. Hamilton[220]	Lumberton	10-31-57	4-1-61
Jack Horner[221]	Charlotte	10-31-57	4-1-61
Cornelia McLauchlin †	Lillington	10-31-57	4-1-61
Margaret E. McGimsey[222]	Morganton	10-31-57	4-1-61
I. E. Ready †	Roanoke Rapids	10-31-57	4-1-61
Lloyd Y. Thayer[223]	High Point	10-31-57	4-1-61
Catherine Whitener[224]	Salisbury	10-31-57	4-1-61
Helen D. Wilkin[225]	Henderson	10-31-57	4-1-61
Mrs. Helen D. Wolff †	Greenville	10-31-57	4-1-61
A. B. Gibson[226]	Laurinburg	8-5-58	4-1-61

NORTH CAROLINA TOBACCO ADVISORY COUNCIL[227]

A. J. Loeb[228]	Pisgah Forest	11-14-57	Indefinite term

COMMISSION FOR THE STUDY OF A UNIFORM MAP LAW[229]

Henry M. Von Oesen, *Chairman*	Wilmington	10-14-57	Report by October 1, 1958
Roscoe L. Blue	Fayetteville	10-14-57	Report by October 1, 1958
Robert G. Bourne	Raleigh	10-14-57	Report by October 1, 1958
James H. Findlay	Gastonia	10-14-57	Report by October 1, 1958
Garland Garriss	Troy	10-14-57	Report by October 1, 1958
Charles P. Vincent	Murfreesboro	10-14-57	Report by October 1, 1958
J. Atwood Whitman	Glendon	10-14-57	Report by October 1, 1958

NORTH CAROLINA COMMISSION ON UNIFORM STATE LAWS[230]

Robert E. Giles[231]	Raleigh	1-17-57	12-1-58
John F. Shuford *	Asheville	1-2-58	12-1-60
Fred I. Sutton †	Kinston	12-31-58	12-1-61

COMMISSION ON THE STUDY OF THE MANNER OF SELECTION OF TRUSTEES OF THE GREATER UNIVERSITY OF NORTH CAROLINA [232]

Robert W. Proctor, *Chairman*	Marion	11-7-57	Report to 1959 General Assembly
Marcus E. Hobbs	Durham	11-7-57	Report to 1959 General Assembly
Lois Johnson	Winston-Salem	11-7-57	Report to 1959 General Assembly
Paul Jones	Farmville	11-7-57	Report to 1959 General Assembly
Edward H. Wilson	Blanche	11-7-57	Report to 1959 General Assembly

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[220] Succeeded Bertha Cooper.

[221] Succeeded Mrs. Phebe Emmons.

[222] Succeeded Mary Greenlee.

[223] Succeeded Luther Medlin.

[224] Succeeded C. B. Martin.

[225] Succeeded O. L. Norment.

[226] Succeeded I. E. Ready, resigned.

[227] Organized in 1946 for the general purpose of encouraging continued production and sale of North Carolina tobacco. Consists of thirty members of whom sixteen are appointed by the governor and fourteen are ex officio. The ex officio members include eight representatives from certain agricultural agencies, five from farm organizations in the state, and one from tobacco research, Duke University. The members appointed by the Governor include representatives from the Plant Food Institute, North Carolina and Virginia; the tobacco belt warehouse associations and Burley markets; processing associations; manufacturers; allied tobacco industries; merchant and banker associations and five members representing the tobacco growers at large. The governor's appointments to this council are not statutory, and the terms of office are indefinite.

[228] Succeeded Lawrence Dixon, deceased.

[229] Seven members appointed by the governor to make a study of mapping practices and make recommendations to him on or before October 1, 1958. *S. L., 1957,* Res. 46.

[230] The commission consists of three members appointed by the governor. There is no statutory authority for these appointments.

[231] Succeeded Bert M. Montague, resigned.

[232] Five members appointed by the governor to make recommendations to the 1959 General Assembly. The governor was authorized to select the chairman from among the membership of the commission. *S. L., 1957,* Res. 43.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
UTILITIES COMMISSION[233]			
Harry T. Westcott, *Chairman* †[234]	Raleigh	6-19-57	2-1-63
Edward H. McMahan †	Raleigh	6-19-57	2-1-61
Samuel O. Worthington †	Greenville	6-19-57	2-1-61
R. Lee Whitmire[235]	Hendersonville	8-23-57	2-1-61
Richard G. Long[236]	Roxboro	6-26-58	2-1-59
NORTH CAROLINA VETERANS COMMISSION[237]			
William W. Staton[238]	Sanford	7-3-57	5-16-59
Irwin Monk[239]	Asheville	10-14-57	5-16-62
Claude T. Bowers[240]	Warrenton	7-16-58	5-16-63
DIRECTOR			
Collin McKinne[241]	Louisburg	9-15-57	
BOARD OF WATER COMMISSIONERS[242]			
David M. Hall *	Sylva	7-3-57	6-30-63
James J. Harris *	Charlotte	7-3-57	6-30-63
ADVISORY COMMITTEE TO THE BOARD OF WATER COMMISSIONERS[243]			
H. Clifton Blue, *Chairman* *	Aberdeen	8-12-57	6-30-59
Carl Blades *	Charlotte	8-12-57	6-30-59
Fred W. Bynum, Jr.[244]	Rockingham	8-12-57	6-30-59
Frank Patton Cooke[245]	Gastonia	8-12-57	6-30-59
Joe Fowler, Jr.*	Mount Airy	8-12-57	6-30-59
J. B. Lattay *	Bolton	8-12-57	6-30-59
David J. Rose *	Goldsboro	8-12-57	6-30-59
S. Leigh Wilson *	Raleigh	8-12-57	6-30-59

NORTH CAROLINA WILDLIFE RESOURCES COMMISSION [246]

J. A. Bridger[247]	Bladenboro	6-21-57	1-24-63
Thurman Briggs †	Lexington	6-21-57	1-24-63
S. I. Stewart [248]	Greensboro	6-21-57	1-24-63
T. N. Massie[249]	Sylva	7-3-58	1-24-59

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[233] Five commissioners are appointed by the governor, with the consent of the Senate, three serving six-year terms and two serving four-year terms. The governor designates one member of the commission as chairman. *G. S.*, Sec. 62-1, 4.

[234] Succeeded Stanley Winborne as chairman on August 1, 1958.

[235] Succeeded Ralph Moody, resigned.

[236] Succeeded Stanley Winborne, resigned.

[237] Five members, all of whom must be veterans, appointed by the governor for five-year terms. The director is elected by the commission with the approval of the governor. *G. S.*, Sec. 165-5; *S. L., 1945*, Ch. 723.

[238] Succeeded Staton P. Williams, resigned.

[239] Succeeded Frank W. Swan.

[240] Succeeded S. Amos Maynard.

[241] Succeeded James M. Caldwell.

[242] Seven members, appointed by the governor. Of the initial appointments, two were for two years, two for four years, and three for six years. All subsequent apopintments are for six years. *S. L., 1955*, Ch. 857.

[243] Sixteen members, of whom eight are appointed by the governor and eight are ex officio: the commissioner of agriculture, the director of Agricultural Extension Service, the director of the Department of Conservation and Development, the state soil conservationist, the secretary of the State Board of Health, the director of the State Recreation Commission, the executive secretary of the Stream Sanitation Committee, and the director of the Wildlife Resources Commission. All terms are for two years. *S. L., 1955*, Ch. 857.

[244] Succeeded Shearon Harris.

[245] Succeeded Calvin Graves.

[246] This commission is composed of nine citizens informed on wildlife conservation and restoration problems and appointed by the governor for terms of six years. Vacancies are filled by appointment of the governor for the duration of unexpired terms. *G. S.*, Sec. 143-241; *S. L., 1947*, Ch. 263.

[247] Succeeded Ernest McGougan.

[248] Succeeded H. C. Kinnett.

[249] Succeeded Charles T. Wilson, resigned.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
WRECK COMMISSIONERS[250]			
A. W. Drinkwater †	Manteo	2-4-58	2-21-60
Roy Eubanks †	Beaufort	9-10-58	9-11-60
INSTITUTIONS			
APPALACHIAN STATE COLLEGE BOARD OF TRUSTEES[251]			
B. C. Brock †	Mocksville	8-23-57	6-30-59
William J. Conrad, Jr. †	Winston-Salem	8-23-57	6-30-59
Mrs. J. Ed Broyhill	Lenoir	8-23-57	6-30-59
C. Watson Brame	North Wilkesboro	8-23-57	6-30-61
Mrs. Harry B. Caldwell †	Greensboro	8-23-57	6-30-61
L. A. Dysart †	Lenoir	8-23-57	6-30-61
Kidd Brewer[252]	Raleigh	8-23-57	6-30-63
John P. Frank[253]	Mount Airy	8-23-57	6-30-63
E. G. Lackey	Winston-Salem	8-23-57	6-30-63
George Corn[254]	Shelby	8-23-57	6-30-65
J. B. Hagman, Jr.[255]	Boone	8-23-57	6-30-65
Ralph Winkler[256]	Boone	8-23-57	6-30-65
ASHEVILLE-BILTMORE COLLEGE BOARD OF TRUSTEES[257]			
Louis Lipinsky, Sr.	Asheville	12-9-57	6-30-60
Laurence C. Merchant	Asheville	12-9-57	6-30-60
Robert F. Phillips	Asheville	12-9-57	6-30-60
Manly E. Wright	Asheville	12-11-57	6-30-60
BOARD OF DIRECTORS OF THE STATE SCHOOL FOR THE BLIND AND DEAF[258]			
Charles P. Gaskins[259]	Greenville	8-23-57	5-1-61
Mrs. Julian B. Hutaff †	Fayetteville	8-23-57	5-1-61

Mrs. Larry B. Pate[260]	New Bern	8-23-57	5-1-61
James L. Penland †	Asheville	8-23-57	5-1-61
Ben R. Roberts †	Durham	8-23-57	5-1-61
S. Linton Smith †	Raleigh	8-23-57	5-1-61
A. R. Taylor[261]	Lillington	8-23-57	5-1-61
Claude Teague[262]	Chapel Hill	8-23-57	5-1-61
Carroll Weathers †	Winston-Salem	8-23-57	5-1-61
James Webb[263]	Greensboro	8-23-57	5-1-61
Mrs. Homer Wright[264]	Leaksville	8-23-57	5-1-61
George R. Bennette[265]	Greensboro	1-8-58	5-1-61
Gilbert Peel, Jr.[266]	Charlotte	9-18-58	5-1-61

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[250] Whenever necessary, the governor appoints wreck commissioners for the various districts in the state's coastal counties to serve for two-year terms. Each commissioner is to live in the district for which he is appointed. *G. S.*, Sec. 82-2.

[251] The 1957 General Assembly increased the size of this board from nine to twelve members and lengthened the terms from four to eight years, the terms to be staggered so that three vacancies occur every two years. *S. L., 1957,* Ch. 1142. Brame, Lackey, and Mrs. Broyhill were the additional members appointed under the new law.

[252] Succeeded W. W. Mast.

[253] Succeeded Mrs. Eunice Moose.

[254] Succeeded Fred N. Colvard.

[255] Succeeded J. R. Hix.

[256] Succeeded Sam Jones.

[257] Twelve members of whom four are appointed by the governor. The initial appointments were for two years plus such additional months as were necessary in order for the terms to expire on June 30. Subsequent appointments were to be for six-year terms. *S. L., 1957,* Ch. 1098, Sec. 4 (a) and (b).

[258] Eleven members appointed by the governor for four-year terms. *G. S.,* Sec. 116-106.

[259] Succeeded J. B. Spilman, Jr.

[260] Succeeded Fulton A. Huntley.

[261] Succeeded A. B. Currin.

[262] Succeeded Tom L. Pendergrass.

[263] Succeeded Mrs. B. C. Mangum.

[264] Succeeded D'Arcy Bradsher.

[265] Succeeded Ben R. Roberts, resigned.

[266] Succeeded A. R. Taylor, resigned.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
CHARLOTTE COMMUNITY COLLEGE BOARD OF TRUSTEES[267]			
Thomas M. Belk	Charlotte	5-8-58	6-30-60
Cecil Prince	Charlotte	5-8-58	6-30-60
Sheldon Smith	Charlotte	5-8-58	6-30-60
Thomas J. Watkins, Sr.	Charlotte	5-8-58	6-30-60
BOARD OF DIRECTORS OF THE NORTH CAROLINA SCHOOL FOR THE DEAF[268]			
Charles K. Bryant *	Gastonia	6-10-57	4-1-61
W. S. McCord †	Charlotte	8-13-57	4-1-61
Howard Moose †	Newton	8-13-57	4-1-61
R. J. Morris †	Marion	8-13-57	4-1-61
O. H. Pons †	Valdese	8-13-57	4-1-61
Wayne Williams[269]	Asheville	8-13-57	4-1-61
Harry L. Wilson †	Morganton	8-13-57	4-1-61
Samuel McD. Tate[270]	Morganton	1-8-58	4-1-61
J. G. Northcott[271]	Black Mountain	10-2-58	4-1-61
EAST CAROLINA COLLEGE BOARD OF TRUSTEES[272]			
Henry Belk †	Goldsboro	6-10-56	6-30-65
Edwin E. Rawles, Sr.†	Greenville	6-10-57	6-30-65
William W. Taylor, Jr.*	Warrenton	6-10-57	6-30-65
Herbert Waldrop[273]	Greenville	6-21-57	6-30-63
Carl Goerch[274]	Raleigh	8-28-57	6-30-61
Robert B. Morgan[275]	Lillington	8-6-58	6-30-65
OXFORD ORPHANAGE BOARD OF TRUSTEES[276]			
Benjamin Cone †	Greensboro	7-10-57	4-15-61
J. E. Rooker, Jr.†	Warrenton	7-10-57	4-15-61
Thomas L. Simmons †	Rocky Mount	7-10-57	4-15-61

PEMBROKE STATE COLLEGE BOARD OF TRUSTEES[277]

Purnell Swett	Rowland	8-23-57	6-30-59
Albert E. Hammonds *	Lumberton	8-23-57	6-30-61
James R. Lowry *	Pembroke	8-23-57	6-30-61
Carl L. Maynor †	Pembrok	8-23-57	6-30-61
Lester Bullard †	Maxton	8-23-57	6-30-63
Steve Hammonds, Jr.†	Lumberton	8-23-57	6-30-63
Elmer T. Lowry[278]	Pembroke	8-23-57	6-30-63
John L. Carter †	Pembroke	8-23-57	6-30-65
Zeb A. Lowry †	Pembroke	8-23-57	6-30-65
James A. Sampson †	Pembroke	8-23-57	6-30-65

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[267] Twelve members of whom four are appointed by the governor. The initial appointments were for two years plus such additional months as were necessary in order for the terms to expire on June 30. Subsequent appointments were to be for six-year terms. *S. L., 1957*, Ch. 1098, Sec. 4 (a) and (b).

[268] Seven members appointed by the governor and confirmed by the Senate for four-year terms. *G. S.*, Sec. 116-121.

[269] Succeeded James R. Fortune.

[270] Succeeded Harry L. Wilson, deceased.

[271] Succeeded Wayne Williams, deceased.

[272] Twelve members. The 1957 General Assembly lengthened the terms of members of this board from six to eight years and provided that the terms should be staggered so that three vacancies occur every two years. *S. L., 1957*, Ch. 1142.

[273] Succeeded Mrs. B. T. Williams, resigned.

[274] Succeeded Elton Aydlett, resigned to accept appointment on the Board of Higher Education.

[275] Succeeded Edwin E. Rawles, Sr., deceased.

[276] Nine members, of whom three are appointed by the governor for four-year terms. The Grand Master of Masons of North Carolina serves ex officio, and five members are elected by the Masonic Grand Lodge of North Carolina. *S. L., 1953*, Ch. 60.

[277] The 1957 General Assembly increased the size of this board from eleven to twelve members and lengthened the terms from four to eight years, the terms to be staggered so that three vacancies occur every two years. *S. L., 1957*, Ch. 1142. Purnell Swett was the additional member appointed under the new law.

[278] Succeeded A. G. Lowry.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
BOARD OF TRUSTEES, NORTH CAROLINA VOCATIONAL TEXTILE SCHOOL [279]			
J. C. Cowan, Jr.[280]	Greensboro	8-13-57	7-1-61
William B. Shuford [281]	Hickory	8-13-57	7-1-61
WESTERN CAROLINA COLLEGE BOARD OF TRUSTEES [282]			
J. Ramsey Buchanan †	Sylva	8-23-57	6-30-65
Arnold J. Hyde[283]	Asheville	8-23-57	6-20-65
R. Guy Sutton[284]	Robbinsville	8-23-57	6-30-65
WILMINGTON COLLEGE BOARD OF TRUSTEES [285]			
Frederick Coville	Atkinson	3-17-58	6-30-60
Howard A. Penton	Wilmington	3-17-58	6-30-60
J. Fred Rippy, Jr.	Wilmington	3-17-58	6-30-60
Eugene B. Tomlinson, Jr.	Southport	3-17-58	6-30-60
AGRICULTURAL AND TECHNICAL COLLEGE BOARD OF TRUSTEES [286]			
Joseph M. Hunt, Jr.[287]	Greensboro	6-19-57	6-30-63
Robert H. Frazier †	Greensboro	6-19-57	6-30-65
W. B. Wicker[288]	Sanford	6-19-57	6-30-65
Robert P. Holding[289]	Smithfield	2-22-58	1-1-59
ELIZABETH CITY STATE TEACHERS COLLEGE BOARD OF TRUSTEES [290]			
J. H. Moore *	Elizabeth City	6-10-57	6-30-61
J. W. Davis †	Edenton	8-23-57	6-30-61
O. Ray Symonds *	Elizabeth City	8-23-57	6-30-61
Albert G. Byrum[291]	Edenton	8-23-57	6-30-63
McDonald Dixon[292]	Elizabeth City	8-23-57	6-30-63
Martin L. Wilson[293]	Selma	8-23-57	6-30-63

J. C. Abbott[294]	Elizabeth City	8-23-57	6-30-65
Roland L. Garrett[295]	Elizabeth City	8-23-57	6-30-65
A. Pilston Godwin, Jr.[296]	Gatesville	8-23-57	6-30-65
A. J. Jones	Tillery	8-23-57	6-30-59
Clifford Jones	Elizabeth City	8-23-57	6-30-59
Herbert Hardy	Snow Hill	9-4-57	6-30-59

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[279] Seven members, six of whom are appointed by the governor for four-year terms. The director of vocational education serves ex officio. *G. S.*, Sec. 115-255.1; *S. L., 1945*, Ch. 806.

[280] Succeeded Ben R. Rudisill.

[281] Succeeded R. Grady Rankin.

[282] Twelve members appointed by the governor for eight-year terms, the terms to be staggered so that three vacancies occur every two years. *S. L., 1957*, Ch. 1142.

[283] Succeeded Hieronymous Bueck.

[284] Succeeded Mrs. F. S. Griffin.

[285] Twelve members of whom four are appointed by the governor. The initial appointments were for two years plus such additional months as were necessary in order for the terms to expire on June 30. Subsequent appointments were to be for six-year terms. *S. L., 1957*, Ch. 1098, Sec. 4 (a) and (b).

[286] The 1957 General Assembly reduced the size of this board from fifteen to twelve members and lengthened the terms from six to eight years, the terms to be staggered so that three vacancies will occur every two years. Vacancies occurring in the existing board were not to be filled until the board should be reduced to the required number of twelve members. *S. L., 1957*, Ch. 1142.

[287] Succeeded Charles A. Hines.

[288] Succeeded George T. Ashford.

[289] Succeeded Shelley B. Caveness, resigned.

[290] The 1957 General Assembly increased the size of this board from nine to twelve members and lengthened the terms from four to eight years, the terms to be staggered so that three vacancies occur every two years. *S. L., 1957*, Ch. 1142. A. J. Jones, Clifford Jones, and Herbert Hardy were additional members appointed under the new law.

[291] Succeeded E. L. Hoffler.

[292] Succeeded E. P. Leary.

[293] Succeeded Mrs. T. C. Sawyer, Sr.

[294] Succeeded W. C. Chappell.

[295] Succeeded T. S. Cooper.

[296] Succeeded G. H. Ferguson.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
FAYETTEVILLE STATE TEACHERS COLLEGE BOARD OF TRUSTEES [297]			
Wiley C. Nance	Biscoe	8-23-57	6-30-59
W. Reid Thompson	Pittsboro	8-23-57	6-30-61
Ed L. White	Pine Level	8-23-57	6-30-61
Albert J. Ellis[298]	Jacksonville	5-13-58	6-30-59
Gurney E. Edgerton †	Fayetteville	7-1-58	6-30-59
C. W. Furlong †	Smithfield	7-1-58	6-30-59
Emil Rosenthal †	Goldsboro	7-1-58	6-30-61
Victor Dawson †	Fayetteville	7-1-58	6-30-63
W. P. De Vane †	Fayetteville	7-1-58	6-30-63
W. E. Horner †	Sanford	8-1-58	6-30-63
John H. Cook †	Fayetteville	7-1-58	6-30-65
R. J. Hester, Jr.†	Elizabethtown	7-1-58	6-30-65
Stewart B. Warren †	Clinton	7-1-58	6-30-65
Walter Baker[299]	Raeford	7-1-58	6-30-61
NORTH CAROLINA COLLEGE BOARD OF TRUSTEES [300]			
Mrs. Ida Duncan[301]	Reidsville	8-23-57	6-30-59
Welch Harris[302]	High Point	8-23-57	6-30-59
Clyde A. Shreve[303]	Summerfield	8-23-57	6-30-59
J. W. Black †	Rocky Mount	8-23-57	6-30-61
J. M. Hubbard †	Durham	8-23-57	6-30-61
W. W. Pierson[304]	Chapel Hill	8-23-57	6-30-61
Edwin L. Jones, Sr.[305]	Charlotte	8-23-57	6-30-63
Beverly Royster[306]	Oxford	8-23-57	6-30-63
Marshall T. Spears[307]	Durham	8-23-57	6-30-63
Bascom Baynes †	Durham	8-23-57	6-30-65
Hanes Lassiter[308]	Matthews	8-23-57	6-30-65

Dillard Teer[309]	Durham	8-23-57	6-30-65
John G. Clark[310]	Greenville	10-30-57	6-30-63

THE COLORED ORPHANAGE OF NORTH CAROLINA (OXFORD) BOARD OF TRUSTEES[311]

M. S. Currin †	Oxford	7-11-57	5-9-61
Ben K. Lassiter †	Oxford	7-11-57	5-9-61
Roy L. Noblin †	Oxford	7-11-57	5-9-61
N. W. Weldon †	Oxford	7-11-57	5-9-61
W. T. Yancey †	Oxford	7-11-57	5-9-61

WINSTON-SALEM TEACHERS' COLLEGE BOARD OF TRUSTEES[312]

Fleet L. Gobble *	Winston-Salem	8-23-57	6-30-59
Rufus S. Hairston †	Winston-Salem	8-23-57	6-30-59
Thomas B. Rice	Winston-Salem	8-23-57	6-30-59

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[297] The 1957 General Assembly increased the size of this board from nine to twelve members and lengthened the terms from four to eight years, the terms to be staggered so that three vacancies occur every two years. *S. L., 1957,* Ch. 1142. Nance, Thompson, and White were additional appointments under the new law.

[298] Succeeded Wiley C. Nance, deceased.

[299] Succeeded W. Reid Thompson, resigned.

[300] Twelve members. The 1957 General Assembly lengthened the terms of members of this board from four to eight years and provided that the terms should be staggered so that three vacancies should occur every two years. *S. L., 1957,* Ch. 1142.

[301] Succeeded Banks Wilkins.

[302] Succeeded Nelson Woodson, resigned.

[303] Succeeded Frank Banzet.

[304] Succeeded B. I. Satterfield.

[305] Succeeded R. M. Gantt, resigned.

[306] Appointed to succeed Ernest B. Johnson, but did not serve.

[307] Succeeded Walter Jones, Jr.

[308] Succeeded C. A. Dandelake.

[309] Succeeded T. W. Ellis, Jr.

[310] Succeeded Beverly Royster.

[311] Thirteen members of whom eight are appointed by the General Assembly and five of whom are white persons from Granville County appointed by the governor for four-year terms. *G. S.,* Sec. 116-139.

[312] The 1957 General Assembly increased the membership of this board from nine to twelve and lengthened the terms from four to eight years, the terms to be staggered so that three vacancies occur every two years. *S. L., 1957,* Ch. 1142. Dillard, Rice, and Townsend were the additional appointments under the new law.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
Clark S. Brown[313]	Winston-Salem	8-23-57	6-30-61
N. L. Dillard	Yanceyville	8-23-57	6-30-61
H. D. Townsend	Lexington	8-23-57	6-30-61
Bert L. Bennett[314]	Winston-Salem	8-23-57	6-30-63
John Hough[315]	Leaksville	8-23-57	6-30-63
L. D. Long†	Winston-Salem	8-23-57	6-30-63
Thomas Winfield Blackwell†	Winston-Salem	8-23-57	6-30-65
Ralph M. Stockton, Jr.[316]	Winston-Salem	8-23-57	6-30-65
Gordon Tomlinson[317]	Mocksville	8-23-57	6-30-65

BOARD OF DIRECTORS FOR THE NORTH CAROLINA CEREBRAL PALSY HOSPITAL[318]

Mrs. Kenneth W. Cuyler[319]	Durham	8-14-57	7-10-59
Roy B. Lindahl[320]	Chapel Hill	8-14-57	7-10-63
John D. Messick[321]	Greenville	8-14-57	7-10-63
J. Fleming Wiley, Jr.[322]	Durham	8-14-57	7-10-63

MOSES H. CONE MEMORIAL HOSPITAL BOARD[323]

Roger McDuffie†	Greensboro	5-7-57	5-10-61
L. P. McLendon†	Greensboro	5-7-57	5-10-61
James R. Townsend†	Greensboro	5-7-57	5-10-61

NORTH CAROLINA ORTHOPEDIC HOSPITAL BOARD OF TRUSTEES[324]

W. L. Balthis†	Gastonia	7-10-57	4-4-63
George Blanton†	Shelby	7-10-57	4-4-63
Mrs. O. Max Gardner[324]	Shelby	7-10-57	4-4-63
B. C. Trotter, Jr.[325]	Charlotte	7-10-57	4-4-63
Mrs. C. Gordon Maddrey[326]	Ahoskie	7-10-57	4-4-59

BOARD OF DIRECTORS OF THE NORTH CAROLINA SANATORIUMS FOR THE TREATMENT OF TUBERCULOSIS[328]

Paul S. Cragan[329]	Sanford	7-10-57	4-29-61
P. K. Gravely[330]	Rocky Mount	7-10-57	4-29-63
J. L. McNeill[331]	Raeford	7-10-57	4-29-63
O. Arthur Kirkman †	High Point	7-10-57	4-29-63
Mrs. Roy Parker, Sr. †	Ahoskie	7-10-57	4-29-63

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[313] Succeeded Julian Robertson.

[314] Succeeded John C. Whitaker, resigned.

[315] Succeeded Clarence L. Pemberton, resigned.

[316] Succeeded Mrs. Birdie Robinson.

[317] Succeeded Harmon Linville.

[318] Established in 1945 at the North Carolina Hospital for Treatment of Spastic Children; name changed in 1953 to North Carolina Cerebral Palsy Hospital. The board is composed of nine members appointed by the governor for six-year terms. *G. S.*, Sec. 131-127, 128; *S. L., 1945*, Ch. 504; *S. L., 1953*, Ch. 893.

[319] Succeeded Thomas O'Berry, deceased.

[320] Succeeded Russell M. Grumman.

[321] Succeeded F. S. Barker.

[322] Succeeded Mrs. Ellen Winston.

[323] Fifteen members, three of whom are appointed by the governor for four-year terms. *P. L., 1913*, Ch. 400.

[324] Consists of nine members appointed by the governor for six-year terms. *G. S.*, Sec. 131-1.

[325] Succeeded R. Gregg Cherry, deceased.

[326] Succeeded Mrs. R. E. McDowell.

[327] Succeeded Kay Dixon, deceased.

[328] Twelve members appointed by the governor and confirmed by the Senate for terms of six years. The secretary of the North Carolina State Board of Health is an ex officio member. Vacancies are filled by appointment of the governor and confirmed by the next succeeding session of the Senate. *G. S.*, Sec. 131-62, 63, 64.

[329] Succeeded Joseph S. Lichty, resigned.

[330] Succeeded P. D. Jones.

[331] Succeeded E. E. Gibson.

Name of Appointee	Address	Date Appointed	Date of Expiration
BOARD OF DIRECTORS OF THE CONFEDERATE WOMAN'S HOME[332]			
Mrs. John D. Boyd †	Fayetteville	8-12-57	5-9-59
Mrs. J. Y. Gatewood †	Yanceyville	8-12-57	5-9-59
Mrs. Robert Grady Johnson †	Burgaw	8-12-57	5-9-59
Mrs. J. F. McGill †	Fayetteville	8-12-57	5-9-59
Mrs. E. R. MacKeithan †	Fayetteville	8-12-57	5-9-59
Charles G. Rose †	Fayetteville	8-12-57	5-9-59
Mrs. H. L. Stevens, Jr.†	Warsaw	8-12-57	5-9-59
EXAMINING BOARDS			
STATE BOARD OF CERTIFIED PUBLIC ACCOUNTANT EXAMINERS[333]			
Harry R. Borthwick[334]	Winston-Salem	6-20-58	6-30-61
John B. Dickinson, Jr.[335]	Charlotte	6-20-58	6-30-61
STATE BOARD OF ARCHITECTURAL EXAMINATION AND REGISTRATION[336]			
S. Porter Graves[337]	Charlotte	7-5-57	4-8-62
Shannon Meriwether[338]	Tryon	5-14-58	4-8-63
STATE BOARD OF BARBER EXAMINERS[339]			
Guy Adams	Spencer	7-11-57	7-1-63
STATE BOARD OF CHIROPRACTIC EXAMINERS[341]			
C. H. Peters †	Rocky Mount	7-11-57	5-5-60
S. S. Stephenson[342]	Wilmington	6-20-58	5-5-61
STATE LICENSING BOARD FOR GENERAL CONTRACTORS[343]			
E. G. Singletary[344]	Greensboro	8-15-57	12-31-61
N. K. Dickerson, Jr.†	Monroe	1-8-58	12-31-62

STATE BOARD OF DENTAL EXAMINERS [345]

G. Shuford Abernethy[346]	Hickory	11-1-57	7-31-60
S. L. Bobbitt [347]	Raleigh	11-1-57	7-31-60
J. H. Guion *	Charlotte	7-28-58	7-31-61
Horace K. Thompson[348]	Wilmington	7-28-58	7-31-61

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[332] Composed of seven members appointed by the governor for two-year terms. The state treasurer is the treasurer of the board. *G. S.,* Sec. 112-2.

[333] Consists of four members appointed by the governor for a term of three years and until their successors are appointed. *G. S.,* Sec. 93-12.

[334] Succeeded Leslie A. Heath.

[335] Succeeded S. Preston Douglas.

[336] Composed of five members appointed by the governor for five-year terms. *G. S.,* Sec. 83-2, 10.

[337] Succeeded W. A. Bowles, resigned.

[338] Succeeded Henry I. Gaines.

[339] Consists of three members to be appointed by the governor for six-year terms. Each member must be an experienced barber. *G. S.,* Sec. 86-6.

[340] Succeeded J. W. Lanning.

[341] Consists of three members appointed by the governor for three-year terms. Members must be practicing chiropractors of integrity and ability and residents of the state. No more than two members shall be graduates of the same school or college of chiropractic. *G. S.,* Sec. 90-140, 141.

[342] Succeeded W. E. Thornton.

[343] Composed of five members appointed by the governor for five-year terms. Vacancies are filled by appointment of the governor. *G. S.,* Sec. 87-2, 4.

[344] Succeeded V. B. Higgins, deceased.

[345] The board consists of six members of the North Carolina Dental Society, elected by the society at its annual meeting and commissioned by the governor for three-year terms of office. *G. S.,* Sec. 90-22.

[346] Succeeded William M. Matheson.

[347] Succeeded Cleon W. Sanders.

[348] Succeeded Darden J. Eure.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
BOARD OF EXAMINERS OF ELECTRICAL CONTRACTORS [349]			
R. S. Fouraker †	Raleigh	7-3-57	4-15-60
W. A. Darden †	Greenville	5-14-58	4-15-61
Robert J. Pearsall [350]	Raleigh	9-15-58	4-15-60
STATE BOARD OF REGISTRATION FOR ENGINEERS AND LAND SURVEYORS [351]			
Robert B. Rice †*	Raleigh	1-8-58-59	12-31-58-63
Louis E. Wooten, Sr.[352]	Raleigh	1-8-58	12-31-59
Arvin Page †	Winston-Salem	1-8-58	12-31-60
John D. Watson[353]	Greensboro	1-8-58	12-31-61
Grady S. Harrell †	Shannon	1-8-58	12-31-62
BOARD OF NURSE REGISTRATION AND NURSING EDUCATION [354]			
Louten R. Hedgpeth †	Lumberton	1-31-57	1-1-61
Joyce Warren †	Winston-Salem	1-31-57	1-1-61
Mrs. Priscilla Davis Ballance †	Wilson	1-7-58	1-1-62
Mrs. Laura Davis †	Waynesville	1-7-58	1-1-62
J. Lyman Melvin †	Rocky Mount	1-7-58	1-1-62
Mrs. Dorothy Woods †	Durham	1-7-58	1-1-62
Mrs. Mae Adams Beard [355]	Goldsboro	1-8-58	1-1-62
NORTH CAROLINA STATE BOARD OF OPTICIANS [356]			
W. B. Fluharty, Jr.†	Asheville	7-11-57	7-1-62
John W. Southerland [357]	High Point	7-3-58	7-1-63
STATE BOARD OF EXAMINERS IN OPTOMETRY [358]			
James S. Bailey[359]	Charlotte	6-10-57	5-1-62
C. Ray Lawrence[360]	Boone	6-16-58	5-1-61
Kenneth W. Ramsey †	Marion	6-16-58	5-1-63

STATE BOARD OF OSTEOPATHIC EXAMINATION AND REGISTRATION[361]

Guy T. Funk[362]	Winston-Salem	7-11-57	5-1-59
Richard C. Baker[363]	Rockingham	7-11-57	5-1-62
Monroe E. Beverly[364]	Winston-Salem	6-20-58	5-1-60
Joseph H. Huff[365]	Burlington	6-20-58	5-1-63

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[349] The board consists of three members appointed by the governor for three-year terms, and two ex officio members as follows: the state electrical engineer who is also the chairman, and the secretary of the Association of Electrical Contractors of North Carolina. *G. S.*, Sec. 87-39.

[350] Succeeded R. S. Fouraker, resigned.

[351] Five members appointed by the governor for five year terms, the terms so staggered that one expires each year. *G. S.*, Sec. 89-4; *S. L., 1957*, Ch. 1060.

[352] Succeeded Walter J. Seeley.

[353] Succeeded William G. Brown, Jr.

[354] The board consists of nine members. Five members are to be registered nurses, two are to be physicians, and two are to be representatives of hospitals operating nursing schools, who are not physicians, all of whom are appointed and commissioned by the governor for terms of four years. Vacancies are filled for the remainder of unexpired terms by the governor from a list of two nominees filed by the organization which previously nominated the member creating the vacancy, or by the appointment of the governor if such member was not a nominee of any organization. *G. S.*, Sec. 90-158; *S. L., 1953*, Ch. 1199.

[355] Succeeded Mrs. Allie Christine Hill.

[356] Consists of five members appointed by the governor from a list of names submitted by the North Carolina Opticians Association. Terms of office are for five years. The governor appoints members to fill unexpired terms. *G. S.*, Sec. 90-238; *S. L., 1951*, Ch. 1089.

[357] Succeeded H. R. Tolar.

[358] Composed of five members elected by the North Carolina State Optometric Society and commissioned by the governor for five-year terms. Vacancies are filled by the governor for unexpired terms. *G. S.*, Sec. 90-116.

[359] Succeeded Kenneth L. Quiggins.

[360] Succeeded Harold C. Herring, resigned.

[361] Composed of five members appointed by the governor for terms of five years. The membership is selected from a number of not less than five practitioners of osteopathy recommended by the State Osteopathic Society. The governor fills vacancies for unexpired terms in the same manner and may request an increase in the number recommended by the society. *G. S.*, Sec. 90-130.

[362] Succeeded T. T. Spence, resigned.

[363] Succeeded Neva A. McCoy.

[364] Succeeded A. H. Zealy, Sr., resigned.

[365] Succeeded Frank R. Heine.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
STATE BOARD OF PHARMACY [366]			
Frank W. Dayvault †	Lenoir	6-10-57	4-28-62
Norfleet O. McDowell, Jr.[367]	Scotland Neck	10-21-57	4-28-59
Roger A. McDuffie †	Greensboro	5-2-58	4-28-63
STATE EXAMINING COMMITTEE OF PHYSICAL THERAPISTS [368]			
G. Erick Bell [369]	Durham	1-17-57	1-1-60
Margaret Moore †	Chapel Hill	1-17-57	1-1-60
Miss Routh P. Dixon[370]	Henderson	1-8-58	1-1-61
Edith Vail [371]	Winston-Salem	1-8-58	1-1-61
STATE BOARD OF EXAMINERS OF PLUMBING AND HEATING CONTRACTORS [372]			
J. M. Jarrett †	Raleigh	7-5-57	4-25-64
H. G. Baity †	Chapel Hill	9-6-57	4-25-63
Joseph M. Lee, Jr.[373]	Durham	5-9-58	4-25-65
NORTH CAROLINA REAL ESTATE LICENSING BOARD [374]			
David Britt	Fairmont	8-8-57	7-31-60
J. Bart Hall	Belmont	8-8-57	7-31-60
Hugh Mills	New Bern	8-8-57	7-31-59
E. S. Powell	Reidsville	8-8-57	7-31-59
Kenneth R. Smith *	Raleigh	8-8-57-58	7-31-58-61
W. B. Harrison, Jr.[375]	Rocky Mount	8-13-57	7-31-60
D. Russell Foster, Jr.[376]	Kinston	5-14-58	7-31-59
Harry E. Isenhour[377]	Salisbury	5-23-58	7-31-59
STATE BOARD OF REFRIGERATION EXAMINERS [378]			
George Brickle *	Wilmington	6-21-57	1-1-63
Walter H. Jones *	Raleigh	1-8-58	1-1-64

STRUCTURAL PEST CONTROL COMMISSION [379]

John L. Reitzel *	Raleigh	8-8-57	7-1-60
Walter H. Wilson *	Winston-Salem	8-8-57	7-1-60
T. M. Gunn [380]	Charlotte	7-8-58	7-1-61
Clyde F. Smith *	Raleigh	7-8-58	7-1-61

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[366] Five members, elected by the North Carolina Pharmaceutical Association and commissioned by the governor for five-year terms. *G. S.*, Sec. 90-55.

[367] Succeeded Harmon C. McAllister, resigned.

[368] Five members, including at least one doctor and four physical therapists, appointed by the governor from a list submitted to him by the North Carolina Physical Therapy Association, Inc. Members are appointed triennially for three-year terms. The governor appoints persons to fill unexpired terms and no member is allowed by law to serve more than two successive three-year terms. *G. S.*, Sec. 90-257.

[369] Succeeded George Miller.

[370] Succeeded Maria Kennedy.

[371] Succeeded Helen Kaiser.

[372] Composed of seven members, each appointed by the governor for a seven-year term with the term of one member expiring each year. Among those appointed there must be one member from the Engineering School and one member from the Division of Public Health of the Greater University of North Carolina, one from the State Board of Health, one plumbing inspector from some city of the state, one licensed master plumber, one heating contractor, and one licensed air conditioning contractor. Vacancies are filled by appointment of the governor for the remainder of the unexpired term. *G. S.*, Sec. 87-16.

[373] Succeeded Robert Owen McGary.

[374] Five members appointed by the governor, initially for one-, two-, and three-year terms and thereafter for three years. Not more than two of the members may be licensed real estate brokers or salesmen. *S. L., 1957*, Ch. 744.

[375] Replaced David Britt who was unable to accept appointment.

[376] Succeeded Hugh Mills, resigned.

[377] Succeeded E. S. Powell, deceased.

[378] Seven members, all appointed by the governor: one from the State Board of Health, one from the Engineering School of the Greater University of North Carolina, one from the Division of Public Health of the Greater University of North Carolina, one manufacturer of refrigeration equipment, one wholesaler of refrigeration equipment, and two licensed refrigeration contractors. The terms of office were to be so designated by the governor that one should expire each year. *S. L., 1955*, Ch. 912. (The Governor was advised that appointment of a member from the State Board of Health would create a condition of double officeholding, which is forbidden under the state constitution, and therefore this appointment was left vacant.)

[379] Five members, appointed by the governor: one from the Division of Entomology of the State Department of Agriculture, one from the Entomology faculty of North Carolina State College, one from the State Department of Agriculture, and two from the pest control industry at large but not from the same company. Original appointments were: one for a one-year term, two for two-year terms, and two for three-year terms. All subsequent appointments for three years. *S. L., 1955*, Ch. 1017.

[380] Succeeded I. H. O'Hanlon.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
NORTH CAROLINA BOARD OF VETERINARY MEDICAL EXAMINERS[381]			
James I. Cornwell †	Asheville	7-11-57	7-1-62
F. B. Coates[382]	Reidsville	7-3-58	7-1-63
STATE OWNED RAILROADS			
ATLANTIC AND NORTH CAROLINA RAILROAD[383]			
DIRECTORS			
D. G. Bell	Morehead City	8-5-57	8-5-58
Judson H. Blount, Sr. †*	Greenville	8-5-57-58	8-5-58-59
W. G. Crawford	Goldsboro	8-5-58	8-5-59
Irvin Davis	Beaufort	8-5-57	8-5-58
Robert J. Hester, Jr.	Elizabethtown	8-5-57	8-5-58
R. M. Kermon	Wilmington	8-5-58	8-5-59
R. P. McKenzie, Sr.	Washington	8-5-57	8-5-58
M. G. Mann † *	Raleigh	8-5-57	8-5-58
George A. Moore, Jr.	Raleigh	8-5-58	8-5-59
J. F. Oglesby	Kinston	8-5-58	8-5-59
Robert L. Stallings, Jr.	New Bern	8-5-58	8-5-59
Dan E. Taylor	Sea Level and West Palm Beach, Florida	8-5-58	8-5-59
George R. Wallace	Morehead City	8-5-58	8-5-59
W. F. Ward	New Bern	8-5-57	8-5-58
Cameron Weeks	Tarboro	8-5-57	8-5-58
OFFICERS			
Judson H. Blount, Sr., *Chairman of the Board* † *	Greenville	8-5-57-58	8-5-58-59
M. G. Mann, *President* † *	Raleigh	8-5-57	8-5-58
George A. Moore, Jr., *President*	Raleigh	8-5-57	8-5-58

G. Paul LaRoque, *Secretary-Treasurer* † *	Kinston	8-5-57-58	8-5-58-59
John Pritchard, *Attorney*	Windsor	8-5-57	8-5-58
John D. Larkins, Jr., *Attorney*	Trenton	8-5-58	8-5-59

FINANCE COMMITTEE

William T. Hatch	Raleigh	8-5-57	8-5-58
P. O. Jarvis	New Bern	8-5-57	8-5-58
John Whitford	Vanceboro	8-5-57	8-5-58
Henry L. Bridges	Raleigh	8-5-58	8-5-59
Venton E. Fountain	Tarboro	8-5-58	8-5-59
Robert L. Stallings, Jr.	New Bern	8-5-58	8-5-59

INSPECTOR

Albert R. Bell † *	New Bern	8-5-57-58	8-5-58-59

PROXY

William T. Hatch	Raleigh	8-5-57	8-5-58
Henry L. Briges	Raleigh	8-5-58	8-5-59

NORTH CAROLINA RAILROAD[384]

DIRECTORS

Sam Bason	Yanceyville	7-9-57	7-9-58
Oscar Breece	Fayetteville	7-9-57	7-9-58
John T. Church	Henderson	7-9-57	7-9-58

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[381] Composed of five members of the North Carolina Veterinary Medical Association appointed by the governor for five-year terms and until their successors are appointed and qualified. One term expires each year. *G. S.*, Sec. 90-180.

[382] Succeeded J. W. McKee.

[383] The board of directors is composed of twelve members, eight of whom the governor appoints annually. The governor also nominates the officers and the inspector and appoints the finance committee and the proxy. *P. L., 1852,* Ch. 136; *P. L., 1858-1859,* Resolution (p. 99); *P. L., 1891,* Ch. 483; *P. L., 1925,* Ch. 157.

[384] The board of directors consists of twelve members, eight of whom are appointed by the governor with the advice and consent of the Council of State. See the bylaws of the North Carolina Railroad Company, and charter and amendments thereto. *P. L., 1854-1855,* Ch. 32; *P. L., 1873-1874,* Ch. 33, 54; *P. L., 1879,* Ch. 138; *P. L., 1891,* Ch. 392; *P. L., 1925,* Ch. 157.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
W. B. Garrison	Gastonia	7-9-57	7-9-58
Carl Goerch	Raleigh	7-9-57	7-9-58
J. Mack Hatch	Charlotte	7-9-57	7-9-58
John M. Morehead *	New York	7-9-57-58	7-9-58-59
Royal M. Sands	Reidsville	7-9-57	7-9-58
Charles Brady	Salisbury	7-9-58	7-9-59
Anne Burwell	Warrenton	7-9-58	7-9-59
Reginald Harris	Roxboro	7-9-58	7-9-59
John Haworth	High Point	7-9-58	7-9-59
Walter Lee Horton	Raleigh	7-9-58	7-9-59
Mrs. W. E. Tomlinson	Thomasville	7-9-58	7-9-59
Harry Vanderlinden	Hickory	7-9-58	7-9-59
	OFFICERS		
John M. Morehead, *President* *	New York	7-9-57-58	7-9-58-59
Edwin S. Pou, *Secretary-Treasurer*	Raleigh	7-9-57-58	7-9-58-59
A. M. Carroll, *Attorney*	Burlington	7-9-57	7-9-58
Harley B. Gaston, *Attorney* * [885]	Belmont	7-9-58	7-9-59
Marshall Bennett, *Expert* *	Raleigh	7-9-57	7-9-58
Ray Byerly, *Expert*	Sanford	7-9-58	7-9-59
	FINANCE COMMITTEE		
Robert G. Deyton *	Winston-Salem	7-9-57	7-9-58
Harris Nelson, Sr.*	Spray	7-9-57-58	7-9-58-59
W. A. Ragsdale, Jr.	Jamestown	7-9-57	7-9-58
E. W. Freeze	Randleman	7-9-58	7-9-59
W. O. Woltz	Mount Airy	7-9-58	7-9-59

PROXY

Edwin Gill *	Raleigh	7-9-57-58	7-9-58-59

MISCELLANEOUS

TOWN OF ATLANTIC BEACH [386]

A. B. Cooper, *Mayor* †	Morehead City	4-17-57	5-1-61
R. A. Barefoot, *Alderman* [387]	Morehead City	4-17-57	5-1-61
M. E. Bizzell, *Alderman* [388]	Morehead City	4-17-57	5-1-61
M. G. Coyle, *Alderman* [389]	Wilson	4-17-57	5-1-61
A. F. Fleming, *Alderman* [390]	Atlantic Beach	4-17-57	5-1-61

DAVIDSON COUNTY COURT [391]

Joe H. Leonard, *Judge* *	Lexington	11-26-58	12-5-60
Thomas H. Suddarth, Jr., *Solicitor*[392]	Lexington	11-26-58	12-5-60

DURHAM COUNTY SMALL CLAIMS COURT [393]

Oscar G. Barker, *Judge* *	Durham	8-2-57	8-5-59

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[385] Succeeded A. M. Carroll, deceased.

[386] The mayor and four aldermen, recommended by the ballots of the property owners of Atlantic Beach, are appointed by the governor for four-year terms. *Public Local Laws of North Carolina, 1937,* Ch. 433. (Hereinafter cited as *P. L. L.*)

[387] Succeeded J. C. Lanier.

[388] Succeeded W. N. Anderson.

[389] Succeeded W. H. Whitehurst.

[390] Succeeded L. T. White.

[391] The judge and the solicitor are appointed by the governor to hold office for two years or until their successors are appointed. *P. L. L.,* 1933, Ch. 82.

[392] Succeeded Philip R. Craver.

[393] A special county court, created by the Board of County Commissioners under authority of *G. S.,* Sec. 7-405-7. The governor appoints the judge for a two-year term.

Name of Appointee	*Address*	*Date Appointed*	*Date of Expiration*
TOWN OF LONG BEACH [394]			
C. C. Carr	Long Beach	5-27-57	6-1-59
E. F. Middleton	Long Beach	5-27-57	6-1-59
G. S. Sherrod	Long Beach	5-27-57	6-1-59
A. T. Hight	Long Beach	5-27-57	6-1-61
F. M. Underwood, Jr.	Long Beach	5-27-57	6-1-61
J. A. Woltz	Long Beach	5-27-57	6-1-61
MUNICIPAL RECORDER'S COURT OF SILER CITY [395]			
J. Speight Wrenn, *Judge* †	Siler City	12-11-57	1-1-62
T. F. Baldwin, *Solicitor* †	Siler City	12-11-57	1-1-62
TOWN OF SURF CITY			
R. T. Batts, *Mayor* [397]	Surf City-Hampstead	6-10-57	6-30-59
M. J. Blizzard [398]	Surf City-Hampstead	6-10-57	6-30-59
J. R. Hubbard [399]	Surf City-Hampstead	6-10-57	6-30-59
THOMASVILLE RECORDER'S COURT [400]			
L. Roy Hughes, *Judge* †	Thomasville	3-20-57	4-1-59
E. W. Hooper, *Solicitor* [401]	Thomasville	3-20-57	4-1-59
TOWN OF WHITE LAKE [402]			
James R. Nance, *Mayor* [403]	White Lake	6-10-57	7-5-59
Rodney Marshburn *	White Lake	6-10-57	7-5-59
Hiram A. Melvin †	White Lake	6-10-57	7-5-59
Gordon W. Love [404]	White Lake	6-10-57	7-5-59
Jack Womble [405]	White Lake	6-10-57	7-5-59

TOWN OF WRIGHTSVILLE BEACH[406]

Richard F. Meier †	Wrightsville	6-10-57	7-5-61
E. F. Peschau †	Wrightsville	6-10-57	7-5-61
Robert R. Bellamy[407]	Wrightsville	9-15-58	7-5-59

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[394] Six commissioners appointed by the governor. Of the initial appointments, three were for four years and three for two years. Thereafter all appointments were to be for four years. The commissioners elect the mayor from among their number for a two-year term. *S. L., 1955*, Ch. 1067.

[395] The judge and the solicitor are appointed by the governor for terms of four years each. *S. L., 1953*, Ch. 607.

[396] In the second week of June, 1953, and at that time every two years, a mayor, who also serves as a commissioner, and two other commissioners are appointed by the governor from persons recommended to him as having had the highest number of votes in the general election. Vacancies are filled by the remaining commissioners for the duration of unexpired terms. *S. L., 1949*, Ch. 512, Sec. 12.

[397] Succeeded A. H. Ward.

[398] Succeeded G. S. Mercer.

[399] Succeeded R. L. Church, Jr.

[400] The judge and solicitor are appointed by the governor for two-year terms upon the recommendation of the city of Thomasville. *P. L. L., 1933*, Ch. 245.

[401] Succeeded Charles F. Lambeth.

[402] The mayor and four commissioners are appointed by the governor from a list of the five persons who received the highest number of votes in the biennial election. The law recommends that the person with the highest number of votes be appointed mayor and the other four be appointed commissioners. Any vacancies are filled by appointment of the governor upon the recommendation of the remaining commissioners. *S. L., 1951*, Ch. 511.

[403] Succeeded Hiram A. Melvin as mayor.

[404] Succeeded I. H. Herring.

[405] Succeeded W. M. Corbett, Jr.

[406] The governor appoints five aldermen for four-year terms. The aldermen choose one of their number as mayor. *S. L., 1951*, Ch. 637; *S. L., 1955*, Ch. 772.

[407] Succeeded Murdoch M. Dunn, resigned.

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